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MEETING OF THE

TRANSPORTATION & COMMUNICATIONS COMMITTEE

Thursday, March 3, 2005
10:30 a.m. – 12:15 p.m.

SCAG Offices
818 W. 7th Street, 12th Floor
San Bernardino Conference Room
Los Angeles, California 90017
213. 236.1800

VIDEO CONFERENCE LOCATION
SCAG, Riverside Office
3600 Lime Street, Suite 216
Riverside, CA 92501
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If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Cathy Alvarado at 213.236.1896 or alvarado@scag.ca.gov

Agendas and Minutes for the Transportation and Communications Committee are also available at:

www.scag.ca.gov/committees/tcc.htm

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TRANSPORTATION & COMMUNICATIONS COMMITTEE

AGENDA

		PAGE #	TIME
1.0	CALL TO ORDER & PLEDGE OF ALLEGIANCE — **Councilmember Garcia, Chair**		
2.0	PUBLIC COMMENT PERIOD **Members of the public desiring to speak on an agenda item or items not on the agenda, but within the purview of this committee, must fill out a speaker's card prior to speaking and submit it to the Staff Assistant. A speaker's card must be turned in before the meeting is called to order. Comments will be limited to three minutes. The Chair may limit the total time for comments to twenty (20) minutes. When you are called to speak, please come forward and state your name for the record.**		
3.0	REVIEW and PRIORITIZE AGENDA ITEMS		
4.0	CONSENT CALENDAR		
4.1	Approval Items		
4.1.1	Approve Minutes of February 3, 2005 **Attachment**	1	
4.2	Receive and File		
4.2.1	State and Federal Legislative Matrix **Attachment**	10	
4.2.2	SCAG Future Events Calendar **Attachment**	19	
	A working calendar of projected		

AGENDA

			PAGE #	TIME
4.2	**Receive and File – cont/d**			
	SCAG meetings and events.			
4.2.3	Southern California Consensus Program Update **Attachment**		**22**	
5.0	**ACTION ITEMS**			
5.1	Preliminary Schedule for the next RTP Update **Attachment**	**Naresh Amatya, SCAG Staff**	**23**	5 minutes
	Staff will present proposed schedule for the next RTP Update.			
	Recommended Action: Approve staff recommendation to move forward with the proposed schedule for the next RTP Update.			
5.2	Approve the Southern California Regional ITS Architecture **Attachment**	**Bob Huddy, SCAG Staff**	**26**	5 minutes
	Approve compliance of the Southern California Regional Intelligent Transportation System Architecture with the requirement of the National Architecture Rule 23 CFR 940.9 and 940.11.			

TRANSPORTATION & COMMUNICATIONS COMMITTEE

AGENDA

			PAGE #	TIME
5.0	**ACTION ITEMS – cont/d**			
	Recommended Action: Approve the Southern California Regional ITS Architecture.			
6.0	**INFORMATION ITEMS**			
6.1	Goods Movement Executive Stakeholder Roundtable Recap Staff will provide a recap of the Goods Movement Executive Stakeholder Roundtable held at SCAG on February 7, 2005.	**Nancy Pfeffer, SCAG Staff**		5 minutes
6.2	SCAG Goods Movement Program Update **Attachment** The Committee will receive a staff update on Goods Movement Program activities, including the policy paper prepared for Secretary Sunne McPeak.	**Nancy Pfeffer, SCAG Staff**	**31**	15 minutes
6.3	Measures to Reduce Truck Traffic at the San Pedro Bay Ports **Attachment** The Committee will receive an update on current efforts by the Ports of Los Angeles and Long Beach and the Alameda Corridor Transportation	**Gill Hicks, Gill V. Hicks & Associates**	**60**	5 minutes

TRANSPORTATION & COMMUNICATIONS COMMITTEE

AGENDA

			PAGE #	TIME
6.0	**INFORMATION ITEMS –cont/d**			
	Authority to implement near-term measures to reduce truck traffic and associated congestion.			
6.4	The Shanghai Maglev Experience **Attachment** Two of SCAG's staff were previously authorized to attend the 2004 Maglev Conference in Shanghai, China, October 26-28, 2004. The presentation and attached report will summarize their experience and offer substantial detail on Maglev related topics including the operation of the Shanghai Maglev line.	**Jim Gosnell & Zahi Faranesh, SCAG Staff**	**64**	20 minutes
7.0	**MAGLEV TASK FORCE REPORT**	**Councilmember Lowe**		
8.0	**CHAIR REPORT**	**Councilmember Garcia, Chair**		
9.0	**STAFF REPORT**	**Rich Macias, SCAG Staff**		
10.0	**GOODS MOVEMENT TASK FORCE REPORT**	**Councilmember Brown**		

AGENDA

PAGE # TIME

11.0 FUTURE AGENDA ITEMS

Any Committee members or staff desiring to place items on a future agenda may make such request. Comments should be limited to three minutes.

12.0 ANNOUNCEMENTS

13.0 ADJOURNMENT

The next meeting of the Transportation and Communications Committee is scheduled for Thursday, April 7, 2005, at the SCAG office.

Transportation and Communications Committee
February 3, 2005

Action Minutes

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE TRANSPORTATION AND COMMUNICATIONS COMMITTEE. AN AUDIOCASSETTE TAPE OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.

The Transportation and Communications Committee held its meeting at SCAG Offices downtown Los Angeles. The meeting was called to order by the Honorable Lee Ann Garcia, Chair, City of Grand Terrace. There was a quorum.

Members Present

Adams, Steve	Riverside, WRCOG
Aldinger, Jim	City of Manhattan Beach
Baldwin, Harry	City of San Gabriel
Beauman, John	City of Brea
Becerra, Glen	City of Simi Valley
Bone, Lou	City of Tustin
Brown, Art	City of Buena Park
Burke, Yvonne	City of Los Angeles
Dale, Lawrence	City of Barstow
Daniels, Gene	City of Paramount
De Young, Cathryn	City of Laguna Niguel
Flickinger, Bonnie	City of Moreno Valley
Garcia, Lee Ann	City of Grand Terrace
George, Gary	City of Redlands
Gurule, Frank	City of Cudahy
Herrera, Carol	SGVCOG
Lowe, Robin	City of Hemet/RCTC
Lowenthal, Bonnie	City of Long Beach
Mikels, Judy	Ventura County
Miller, Llewellyn	City of Claremont
Miller, Paul	City of Simi Valley
Millhouse, Keith	City of Moorpark
O'Connor, Pam	City of Santa Monica
Ovitt, Gary	San Bernardino County
Pettis, Greg	Cathedral City
Proo, Bea	City of Pico Rivera
Ridgeway, Tod	City of Newport Beach
Rutherford, Mark	City of Westlake Village
Smith, Greg	City of Los Angeles
Spence, David	City of Arroyo Verdugo
Stanford, Dick	City of Azusa

Stone, Jeff	Riverside County
Sykes, Tom	City of Walnut
Szerlip, Don	South Bay Cities
Tyler, Sidney	City of Pasadena

Members Not Present

Buckley, Tom	City of Lake Elsinore
Cervantes, Jesus	Commerce, Gateway Cities COG
DeLara, Juan	City of Coachella
Dixon, Richard	City of Lake Forrest
Dunlap, Judy	City of Inglewood
Fasana, John	City of Duarte
Gabelich, Rae	City of Long Beach
Hall, Isadore	City of Compton
Hernandez, Robert	City of Anaheim
Herzog, Peter	OCOG
Keenan, Tim	City of Cypress
Marshall, Patsy	City of Buena Park
Nuaimi, Mark	City of Fontana
Roberts, Ron	City of Temecula
Smyth, Cameron	City of Santa Clarita
Talbot, Paul	City of Alhambra
Uranga, Tonia Reyes	City of Long Beach

New Members

Paul Miller	City of Simi Valley
Keith Millhouse	City of Moorpark

Action Minutes

1.0 CALL TO ORDER & PLEDGE OF ALLIGANCE

Chair Honorable Lee Ann Garcia called the meeting to order at 10:32 a.m.

2.0 PUBLIC COMMENT PERIOD

Mr. Don Kornreich, citizen, Laguna Woods, came forward to urge the Committee to be more enthusiastic about Maglev. He went on to state, that he felt that Maglev needed to play a more permanent role in the 2007 Regional Transportation Plan. Mr. Kornreich said that he strongly felt that the Maglev Demonstration Project needed to get started fairly soon. Mr. Kornreich felt that without a twenty-mile demonstration project similar to the one in China, Maglev would not be able to get off the ground. Additionally, he urged SCAG to come up with an investor-oriented study in the next few months.

3.0 REVIEW and PRIORITIZE

Chair Garcia recommended that the Consent Calendar be reprioritized in the following order: follow through with the Consent Calendar including a five-minute presentation on 4.2.3, State Budget Update. Then Action Item 5.1, Work Program and Timeline for 2007 RTP Update. Followed by 6.1, Health Effects of Diesel Air Pollution, followed by 6.4, Update on the Inland Empire Mainline Railroad Study, followed by 6.5, Port and Modal Elasticity Study, then close with 6.2, Goods Movement White Paper for Secretary of Business, Transportation and Housing. Item 6.3, The Shanghai Maglev Experience will be postponed for a future Committee meeting.

4.0 CONSENT CALENDAR

4.1 Approval Item

4.1.1 Approve Minutes of January 6, 2005

4.2 Receive and File

4.2.1 State and Federal Legislative Matrix

4.2.2 SCAG Future Events Calendar

4.2.3 State Budget Update

4.2.4 Southern California Consensus Program

4.2.5 I-710 (Ocean Boulevard to SR-60) Letter of Completion

MOTION was made to pull items 4.2.1, 4.2.4, and 4.2.3 for discussion.
MOTION was then made to approve the balance of the Consent Calendar items, SECONDED, and UNANIMOUSLY APPROVED.

4.2.1 State and Federal Legislative Matrix

Dick Stanford, City of Azusa, stated that he had noted and was concerned that the 'Go California' Program would be announced in about sixty days. Putting aside some of the transportation funding has some concerns because it is a loss for our match of federal funds. He went on to state that he felt the Committee needed to look at alternatives to the Legislative Program.

Chair Garcia then introduced Paul Bower, SCAG Lobbyist to say a few words on the subject.

Mr. Bower stated that he agreed that the Committee could not move forward without being creative in with its solutions. To that end Mark Pisano, SCAG Director, and he met with Tom Campbell, Director of the Department of Finance to discuss the Governor's proposal to suspend Proposition 42, which would then pay SCAG back in fifteen years. At this meeting we stated that if SCAG was going to be paid back in over fifteen years a discussion would then be needed on the interest costs that the state would have to reimburse to SCAG. Because borrowing that money is going to be expensive and will cut into project delivery.

4.2.4 Southern California Consensus Program

Dick Stanford, City of Azusa, state that Los Angeles County MTA is not signing off on the Consensus because it has one of SCAG's priority projects in it, Gold Line II. This is basically due because Supervisor Yaroslavsky does not like this project. Consequently MTA is not signing off on it, not making it a Consensus Program without them.

The Consensus Letter currently leaves out Los Angeles County because that is where the County chooses to be because of this one particular project. Mr. Stanford concluded that he would hope they would see this differently.

Hasan Ikhrata, SCAG Staff, then stated that the new consensus document does include all the counties, including MTA, and the projects did not change from last time so the Gold Line II is still in the Consensus document.

Mr. Stanford then inquired if MTA was signing off on the document. Mr. Ikhrata responded that they were and stated that they were sending elected officials and staff to Sacramento.

4.2.2 State Budget Update

Annie Nam, SCAG staff, gave a brief presentation on the state budget overview particularly as items relate to transportation.

Ms. Nam pointed out some of the ongoing funding issues that are going to impact the development of the 2006 STIP:

- the continued diversion of Proposition 42
- Tribal Gaming revenue has become problematic
- increasing cost of the Bay Bridge
- the reauthorization of TEA

The California Transportation Commission adopts the 2006 STIP fund estimate in August 2005, the four factors previously mentioned are critical in the development of this next step.

MOTION was made to approve the balance of the Consent Calendar items, SECONDED, and UNANIMOUSLY APPROVED.

5.0 ACTION ITEMS

5.1 Work Program and Timeline for 2007 RTP Update

Naresh Amatya, SCAG Staff, gave a brief overview on the next RTP Update. The current plan was adopted in April of 2004. Staff has until April 2007 to update the next plan. Since the plan was adopted a number of issues have developed that may warrant amending the plan or updating the plan sooner in order to assure that the integrity of the Plan, as well as the conformity, is maintained.

The proposed State Budget may put the proposed Transportation Revenue Forecast in the current Plan out of sync. On the positive side, Measure I in San Bernardino County passed which is part of the Plan. At the same time the additional half-cent sales tax in Los Angeles County, which was also part of the RTP, has not moved forward. The implication of this is approximately four billion dollars, which may not be available. Added to that, Orange County is seriously considering their Measure M Extension issue. Over the next several months they are going to be developing an expenditure plan associated with the Measure M Extension along with their long range plan update and the associated EIR. The issue here is that Measure M Extension is currently not included in the RTP.

The other issue in Orange County is the Centerline. The Orange County Board is discussing what will ultimately be done with the Centerline project. Depending on the nature and timing of that decision, we may need to look into updating the plan early as well.

These issues were discussed at the last Plans and Programs Technical Advisor Committee and the basic input they had was that there was a need to understand and articulate adequately the rational for any plan amendment or early update. They specifically pointed out that there was a need to consider all the implications of all the planning processes, for example the 2006 STIP, 2007 SIP, and the Regional Housing Needs Allocation Process, which SCAG is proposing to be in sync with the RTP. The basic sentiment at this meeting was that it was too early too conclude that an amendment, or the early updated expressed, was warranted at this point. The TAC is planning on convening again on February 17, 2005 to further discuss these issues and come up with some recommendation for the Committee.

Given this situation, what Staff recommends at this point is that the Committee directs Staff to move forward with a tri-annual update process. And further direct Staff to continue assessing and monitoring potential need for an amendment or early update and report back to the Committee with specific recommendation in a timely manner.

Bonnie Lowenthal, City of Long Beach, stated that as she understood the report, there could be a potential interim amendment to the 2004 RTP. Ms. Lowenthal asked if it would be appropriate to incorporate and update an amendment to include the completed plans for the 710?

Hasan Ikhrata, SCAG Staff, responded by stating it would depend if it was a simple amendment or an update. If it is an early update, all issues including the 710 have to be updated according to the actions of the COG. Mr. Ikhrata requested that the Committee give Staff until March to come back and inform them whether there will be an update, amendment, or move forward with the tri-annual schedule. If an update is done, all issues need to be looked at and decisions have to be made about a new plan. If Staff does update the plan it will move up the process by eight to nine months.

Mr. Ikhrata concluded by saying that Staff's recommendation was to approve the regular schedule having in mind, that Staff may come back to the Committee with an amendment.

MOTION was made to approve Staff recommendation to move forward with the Work Plan. MOTION was SECONDED, and UNANIMOUSLY APPROVED.

6.0 INFORMATION ITEMS

6.1 Health Effects of Diesel Air Pollution

Dr. Ed Avol, a Professor in the Environmental Health Division at the Department of Preventive Medicine, USC Keck School of Medicine, provided a presentation on

recent research into the public health effects of air pollution from diesel vehicle engines.

The USC Keck School of Medicine has been conducting a long-term Children's Health Study that has recently produced some significant findings. In September 2004, the New England Journal of Medicine published results indicating that current levels of air pollution have chronic adverse effects on lung development in children between 10 and 18 years of age. In the study, public health data were correlated with measured concentrations of fine particulate matter ($PM_{2.5}$) at various locations around the South Coast Air Basin. The associations with health effects seen in the study were primarily from pollutants arising from mobile sources. Earlier studies have also linked health effects such as asthma and increased strokes in adults with proximity to freeways. These studies have direct implications for transportation projects and land use planning throughout the SCAG region.

6.4 Update on the Inland Empire Mainline Railroad Study

Mr. Rob Leachman, Leachman and Associates, presented a study of the Inland Empire Mainline Rail which examines current train volume and operating conditions and forecast rail traffic for the years 2010 and 2025. This includes freight, Metrolink, and Amtrak trains, on the mainline rail network extending from Colton east to Indio and north to Barstow. Work currently in progress includes conducting alternative analysis for accommodating future growth, analyzing railroad-related emissions, and working with the railroads to obtain their input.

The alternatives will be ranked based on the costs and benefits derived from each scenario. In deriving these rankings, the study will take into consideration factors such as the costs of specific rail infrastructure improvements needed to implement each alternative, as well as rail-related emissions and vehicular delays resulting from each alternative. This ranking will provide a basis from which to recommend a preferred alternative for accommodating future rail traffic that represents the optimal combination of costs and benefits to both the public and private sector.

This study is expected to be completed by June 30, 2005.

6.5 Port and Modal Elasticity Study

Mr. Rob Leachman, Leachman and Associates, presented a summary of the purpose of the Port and Modal Elasticity Study. The study will determine the probability of diversion occurring between the Ports of Los Angeles and Long Beach and other U.S. (including west, east, and gulf coast) and Canadian ports, as well as between modes of transportation (truck and rail), should user fees be assessed to goods imported via the Ports of Los Angeles and Long Beach.

The study includes determining total transportation costs, the value of transit time, industry trends, the funding potential of container user fees, computing cargo demand elasticity's for rail and truck modes, and determining the most appropriate point user fees could be assessed to avoid diversion to other ports and/or other modes.

This study is expected to be completed by June 30, 2005.

6.2 Goods Movement White Paper (Draft) for Secretary of Business, Transportation and Housing

Nancy Pfeffer, SCAG staff, gave a summary on the white paper draft prepared on regional goods movement issues at the request of Business, Transportation & Housing (BT&H) Secretary Sunne McPeak. The paper describes current needs for the goods movement system and what the state and federal government can do to help the region meet these needs.

In late November the Secretary asked SCAG to work with the LA County Economic Development Corporation (LAEDC), the region's transportation agencies, goods movement system operators and other stakeholders to develop a white paper describing the region's needs. The paper was developed and provided in initial form to the Secretary for a fact-finding meeting with the principals – CEO's and other senior management – of the participants in the process on December 15, 2004, in Sacramento.

Staff will update the Committee on the process of finalizing the paper and next steps at the regional and state levels.

6.2 The Shanghai Maglev Experience

This item was postponed until the next committee meeting.

7.0 MAGLEV TASK FORCE REPORT

Robin Lowe, City of Hemet, reported that the Task Force met last month and there was a report given my Zahi Faranesh and Jim Gosnell, SCAG Staff, on their trip to Shanghai, China. This report will be presented to the Committee at next months meeting.

The Task Force also continued to work on the MOU between the City of Los Angeles and Ontario and the entity of SANBAG, there are some problems with it. Councilmember Lowe continued that she personally agreed with the City of Ontario on their views. The Task Force will be meeting with Ontario's Mayor shortly and will continue to work on the MOU with the City of Los Angeles.

8.0 CHAIR REPORT
None at this time.

9.0 STAFF REPORT
None at this time

10.0 GOODS MOVEMENT TASK FORCE REPORT
None at this time.

11.0 FUTURE AGENDA ITEMS
Mr. Steven Adams, City of Riverside, stated that he'd like to see the report on traffic mitigation from the 1984 Olympics in which all large trucks could only deliver in the area between 9:00 p.m. and 5 a.m. Mr. Adams then said that the Committee might have to looking into something of this sort to alleviate the problems we now have. This would augment what is going on with the Los Angeles and Long Beach ports on their efforts to reduce the problems on the 710 and other areas.

12.0 ANNOUNCEMENTS
None at this time.

13.0 ADJOURNMENT
The Honorable Lee Ann Garcia, Chair, adjourned the meeting at 12:17 p.m.
The next committee meeting will be held on
March 3, 2005, 10:30 a.m., at the SCAG Office.

Rich Macias, Manager
Transportation Planning/Programming Division

MEMO

DATE: March 3, 2005

TO: The Regional Council
The Community Economic and Human Development Committee
The Energy and Environment Committee
The Transportation and Communications Committee (TCC)

FROM: Charlotte Pienkos, Government Affairs Analyst
Phone: (213) 236-1811 E-Mail: pienkos@scag.ca.gov

SUBJECT: State and Federal Legislative Matrix

Since the February 3rd meetings of the Regional Council and the policy committees, bill introduction in Sacramento has proceed at the slower, more circumspect pace not unusual in the first year of a two-year session. As of this writing on February 10th, SCAG is monitoring just 37 newly introduced state bills. The pace of bill introduction will hasten prior to the February 18th deadline. On the horizon, Spring Recess begins on March 17th. The Legislature will reconvene on March 29th.

On the federal level, the Public-Private Transportation Infrastructure Reinvestment Act of 2005 was proposed in Congress by Representative Sam Graves (R-6th) of Missouri (no number has been assigned at this writing). The proponents of the measure believe viable transportation infrastructure projects are waiting for money at the same time private sources of money are looking for investment opportunities. Matching private funds to public projects, however, is not simple.

Public authorities wishing to work with private investors face barriers. Current law and practice in public transportation programs create an institutional bias against private participation. For example, current rules on intermingling public and private funds exercise a serious restraint on efforts by public authorities to finance much-needed public transportation projects with innovative financing.

As more information on Congressman Graves' bill becomes available, Government Affairs will bring it forward for consideration.

In other federal legislation, the Water Policy Task Force considered at its February 10th meeting HR 18 (Baca), the Southern California Groundwater Remediation Act. HR 18 makes grants available for groundwater clean up and other activities within the Santa Ana River basin. The EEC will consider HR 18 at its meeting.

Private file: Transportation

CA AB 53

AUTHOR: Negrete McLeod (D)
TITLE: State Agency Consolidation
FISCAL COMMITTEE: no
URGENCY CLAUSE: no
LOCATION: ASSEMBLY
CODE SECTION:

An act relating to state government.

SUMMARY:

Declares the Legislature's intent to build upon efforts to eliminate governmental waste and inefficiency, consolidate 5 separate state agencies into a single entity with specified responsibilities, create an Office of Management and Budget with responsibility for the state's fiscal affairs, personnel management, and procurement systems, and consolidate the Teale Data Center and the Health and Human Service Data Center.

DIGEST:

LEGISLATIVE COUNSEL'S DIGEST

AB 53, as introduced, Negrete McLeod. State agency consolidation.

Existing law requires state agencies to conduct ongoing performance reviews to, among other things, reduce the costs of state government and plan for the effective administration of government programs.

This bill would declare the Legislature's intent to build upon efforts to, eliminate governmental waste and inefficiency, consolidate 5 separate state agencies into a single entity with specified responsibilities, create an Office of Management and Budget with responsibility for the state's fiscal affairs, personnel management, and procurement systems, and consolidate the Teale Data Center and the Health and Human Services Data Center.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

12/06/2004 INTRODUCED.

COMMENTARY:

Relates to CPR

Subject: Transport

CA AB 189

AUTHOR: Horton S (R)
TITLE: HOT Lanes: Demonstration Projects
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
LOCATION: Assembly Transportation Committee
CODE SECTION:

An act to amend Section 149.4 of the Streets and Highways Code, relating to transportation.

SUMMARY:

Relates to existing law which authorizes the San Diego Association of Governments (SANDAG) to conduct, administer, and operate a value pricing and transit development program on transportation corridors in San Diego County, under which single-occupant vehicles may use a designated HOV lane at certain times of day upon obtaining a permit and paying a fee, otherwise known as a "high-occupancy toll (HOT) lane." Expands the number of authorized SANDAG HOT lane demonstration projects from 2 to 3.

DIGEST:

LEGISLATIVE COUNSEL'S DIGEST

AB 189, as introduced, Shirley Horton. HOT lanes: demonstration projects.

Existing law authorizes the Department of Transportation or local agencies with respect to highways under their jurisdiction to designate certain lanes for exclusive use by high-occupancy vehicles (HOVs). Existing law also authorizes the San Diego Association of Governments (SANDAG) to conduct, administer, and operate a value pricing and transit development program on 2 transportation corridors in San Diego County, under which single-occupant vehicles may use a designated HOV lane at certain times of day upon obtaining a permit and paying a fee, otherwise known as a "high-occupancy toll (HOT) lane."

This bill would expand the number of authorized SANDAG HOT lane demonstration projects

from 2 to 3.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

STATUS:

01/26/2005	INTRODUCED.
01/31/2005	To ASSEMBLY Committee on TRANSPORTATION.
Subject:	Revenue/Bond, Transport

CA AB 209

AUTHOR:	Plescia (R)
TITLE:	Transportation Systems: Alternative Financing Methods
LOCATION:	ASSEMBLY

CODE SECTION:

An act to amend Section 132001 of the Public Utilities Code, relating to transportation.

SUMMARY:

Makes nonsubstantive changes to findings under the the San Diego County Regional Transportation Commission Act.

DIGEST:

LEGISLATIVE COUNSEL'S DIGEST

AB 209, as introduced, Plescia. Transportation systems: alternative financing methods.

Existing law, the San Diego County Regional Transportation Commission Act, creates the San Diego County Regional Transportation Commission that is authorized, upon approval of the voters, to impose an ordinance levying a retail transaction and use tax for transportation purposes. The Legislature has made certain findings under this act regarding the commission's functions.

This bill would make nonsubstantive changes to these findings.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

01/31/2005	INTRODUCED.
Subject:	Revenue/Bond, Transport

CA AB 236

AUTHOR:	Bermudez (D)
TITLE:	Sales and Use Taxes: Exemptions: Fuel and Petroleum
FISCAL COMMITTEE:	yes
URGENCY CLAUSE:	no
LOCATION:	ASSEMBLY

CODE SECTION:

An act to add and repeal Section 6357.7 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

SUMMARY:

Exempts from state taxes the gross receipts in excess of $0.632 per gallon derived from the sale in the state of, and the storage, use, or other consumption in the state of, fuel and petroleum products sold to or purchased by an air common carrier on a domestic flight.

DIGEST:

LEGISLATIVE COUNSEL'S DIGEST

AB 236, as introduced, Bermudez. Sales and use taxes: exemptions: fuel and petroleum products: air common carriers.

The Sales and Use Tax Law imposes a tax on the gross receipts from the sale in this state of, or the storage, use, or other consumption in this state of, tangible personal property. That law provides various exemptions from that tax, including an exemption for the gross receipts from the sale of, and the storage, use, or other consumption of, fuel and petroleum products sold to an air common carrier for immediate consumption or shipment in the conduct of its business on an international flight.

This bill would, for calendar years beginning on or after January 1, 2006, and before January 1, 2010, exempt from those state taxes the gross receipts in excess of $0.632 per gallon derived from the sale in this state of, and the storage, use, or other consumption in this state of, fuel and petroleum products sold to or purchased by an air common carrier on a domestic flight, as specified.

This bill would also require the State Board of Equalization, beginning on January 1, 2007, and annually thereafter, to submit a report to the Legislature setting forth the state fiscal impact of the exemption.

Section 2230 of the Revenue and Taxation Code provides that the state will reimburse counties and cities for revenue losses caused by the enactment of sales and use tax exemptions.

This bill would provide that, notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse local agencies for sales and use tax revenues lost by them pursuant to this bill.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

STATUS:

02/07/2005 INTRODUCED.

Subject: Transport

CA AB 245

AUTHOR: Walters (R)
TITLE: County Design-Build Contracts
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
LOCATION: ASSEMBLY
CODE SECTION:

An act to add and repeal Section 20133.5 of the Public Contract Code, relating to public contracts.

SUMMARY:

Authorizes Orange County, until December 1, 2008, to enter into design-build contracts.

DIGEST:

LEGISLATIVE COUNSEL'S DIGEST

AB 245, as introduced, Walters. County design-build contracts.

Existing law requires public entities to comply with certain procedures in soliciting and evaluating bids and awarding contracts for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement. Existing law authorizes specified state agencies, cities, and counties to implement alternative procedures for the awarding of contracts on a design-build basis. Existing law also authorizes, until January 1, 2006, certain counties to enter into design-build contracts, as defined, according to specified procedures.

This bill would additionally authorize Orange County, until December 1, 2008, to enter into design-build contracts, as provided.

This bill would make legislative findings and declarations as to the necessity of a special statute.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

STATUS:

02/07/2005 INTRODUCED.

Subject: LocGov, Transport

CA AB 267

AUTHOR: Daucher (R)
TITLE: Transportation Projects
LOCATION: ASSEMBLY
CODE SECTION:

An act to amend Section 14529.17 of the Government Code, relating to transportation.

SUMMARY:

Relates to existing law which authorizes a regional or local entity that is the sponsor of, or is eligible to receive funding for, a project contained in the state transportation improvement program to expend its own funds for any component of a project within its jurisdiction that is included in an adopted state transportation improvement program, and for which the commission has not made an allocation. Limits these provisions, as specified.

DIGEST:

LEGISLATIVE COUNSEL'S DIGEST

AB 267, as introduced, Daucher. Transportation projects.

Existing law authorizes a regional or local entity that is the sponsor of, or is eligible to receive funding for, a project contained in the state transportation improvement program to expend its own funds for any component of a project within its jurisdiction that is included in an adopted state transportation improvement program, and for which the commission has not made an allocation. Existing law requires these expenditures to be reimbursed by the state, under specified conditions. Existing law limits these provisions to projects advanced for expenditures by an eligible local or regional entity within the 12 months preceding the date the project would otherwise be allocated funding by the commission.

This bill would instead limit these provisions to projects advanced for expenditure by an eligible local or regional entity within the 36 months preceding the date the project would otherwise be allocated funding by the commission, and would make this provision retroactive to include expenditures after July 1, 2004.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

STATUS:

02/08/2005 INTRODUCED.

Subject: Revenue/Bond, Transport

CA ACA 4

AUTHOR: Plescia (R)
TITLE: Transportation Investment Fund
FISCAL COMMITTEE: no
URGENCY CLAUSE: no
LOCATION: ASSEMBLY
CODE SECTION:

A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Section 1 of Article XIX B thereof, relating to transportation.

SUMMARY:

Proposes an amendment to the Constitution that relates to existing law which requires that sales taxes on motor vehicle fuel that are deposited into the General Fund be transferred to the Transportation Investment Fund. Deletes the provision authorizing the Governor and the Legislature to suspend the transfer of revenues from the General Fund to the Transportation Investment Fund for a fiscal year during a fiscal emergency.

DIGEST:

LEGISLATIVE COUNSEL'S DIGEST

ACA 4, as introduced, Plescia. Transportation Investment Fund

Article XIX B of the California Constitution requires, commencing with the 2003-04 fiscal year, that sales taxes on motor vehicle fuel that are deposited into the General Fund be transferred to the Transportation Investment Fund for allocation to various transportation purposes. Article XIX B authorizes this transfer to the Transportation Investment Fund to be suspended in whole or in part for a fiscal year during a fiscal emergency pursuant to a proclamation by the Governor and the enactment of a statute by a 2/3 vote in each house of the Legislature if the statute does not contain any unrelated provision. This measure would delete the provision authorizing the Governor and the Legislature to suspend the transfer of revenues from the General Fund to the Transportation Investment Fund for a fiscal year during a fiscal emergency. Vote: 2/3. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

12/06/2004 INTRODUCED.

Subject: Revenue/Bond, Transport

CA ACA 9

AUTHOR: Bogh (R)
TITLE: Motor Vehicle Fuel Sales Tax Revenue
LOCATION: ASSEMBLY
CODE SECTION:

A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending subdivision (d) of Section 1 of Article XIX B thereof, relating to transportation.

SUMMARY:

Changes the vote requirement to 4/5 of the membership of each house of the Legislature in order to enact a statute suspending in whole or in part the transfer of motor vehicle fuel sales tax

revenue from the General Fund to the Transportation Investment Fund.

DIGEST:

LEGISLATIVE COUNSEL'S DIGEST

ACA 9, as introduced, Bogh. Motor vehicle fuel sales tax

revenue. Existing provisions of the California Constitution require that sales taxes on motor vehicle fuel that are deposited into the General Fund be transferred to the Transportation Investment Fund and used for transportation purposes, but allow the transfer of these revenues to be suspended in whole or in part for a fiscal year under specified circumstances by a statute enacted by a 2/3 vote of the membership of each house of the Legislature. This measure would change the vote requirement to 4/5 of the membership of each house of the Legislature in order to enact a statute suspending in whole or in part the transfer of this particular revenue from the General Fund to the Transportation Investment Fund. Vote: 2/3. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

01/24/2005	INTRODUCED.
Subject:	Revenue/Bond, Transport

CA SB 32

AUTHOR:	Alarcon (D)
TITLE:	Los Angeles County Regional Airport Authority
FISCAL COMMITTEE:	no
URGENCY CLAUSE:	no
LOCATION:	Senate Rules Committee
CODE SECTION:	

An act relating to the Los Angeles County Regional Airport Authority.

SUMMARY:

Declares the intent of the Legislature to establish the Los Angeles County Regional Airport Authority.

DIGEST:

LEGISLATIVE COUNSEL'S DIGEST

SB 32, as introduced, Alarcon. Los Angeles County Regional Airport Authority.

This bill would declare the intent of the Legislature to establish the Los Angeles County Regional Airport Authority.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

12/09/2004	INTRODUCED.
01/27/2005	To SENATE Committee on RULES.
Subject:	Transport

CA SB 45

AUTHOR:	Alarcon (D)
TITLE:	Intermodal Marine Terminals
FISCAL COMMITTEE:	no
URGENCY CLAUSE:	no
LOCATION:	Senate Transportation and Housing Committee
CODE SECTION:	

An act to add Chapter 28.5 (commencing with Section 22928) to Division 8 of the Business and Professions Code, relating to transportation.

SUMMARY:

Prohibits an intermodal marine equipment provider or marine terminal operator from imposing per diem or detention charges, or demurrage charges, on an intermodal motor carrier relative to transactions involving cargo shipped by intermodal transport under certain circumstances.

DIGEST:

LEGISLATIVE COUNSEL'S DIGEST

SB 45, as introduced, Alarcon. Intermodal marine terminals.

Existing law imposes special regulations on various business activities but does not specifically regulate detention and per diem charges imposed by intermodal terminals on intermodal equipment used by motor carriers.

This bill would prohibit an intermodal marine equipment provider or marine terminal operator

from imposing per diem or detention charges, as defined, or demurrage charges, on an intermodal motor carrier relative to transactions involving cargo shipped by intermodal transport under certain circumstances.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

01/05/2005	INTRODUCED.
01/27/2005	To SENATE Committee on TRANSPORTATION AND HOUSING.
Subject:	Transport

CA SB 53

AUTHOR: Kehoe (D)
TITLE: San Diego County Regional Airport Authority
COMMITTEE: Senate Local Government Committee
HEARING: 02/16/2005 9:30 am
CODE SECTION:

An act to amend Section 170018 of, to add Section 170041 to, and to repeal Sections 170010, 170012, and 170014 of, the Public Utilities Code, relating to the San Diego County Regional Airport Authority.

SUMMARY:

Repeals obsolete provisions pertaining to the interim San Diego County Regional Airport Authority board. Makes a technical corrective change. Amends the San Diego County Regional Airport Act to explicitly restate the applicability of the Ralph M. Brown Act to the Authority.

DIGEST:

LEGISLATIVE COUNSEL'S DIGEST

SB 53, as introduced, Kehoe. San Diego County Regional Airport Authority.

(1) Existing provisions of the San Diego County Regional Airport Authority Act provided for administration of the San Diego County Regional Airport Authority by an interim board with prescribed membership until December 2, 2002.

This bill would repeal obsolete provisions pertaining to that interim board.

(2) Existing law requires the appropriate appointing authority to fill a vacancy on the authority board occurring prior to the expiration of the member's term.

This bill would make a technical corrective change in the language of this provision.

(3) Existing open-meeting requirements of the Ralph M. Brown Act are applicable to all local agencies, including the authority.

This bill would amend the San Diego County Regional Airport Authority Act to explicitly restate the applicability of the Ralph M. Brown Act to the authority.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

01/10/2005	INTRODUCED.
01/27/2005	To SENATE Committee on LOCAL GOVERNMENT.
Subject:	Transport

CA SB 98

AUTHOR: Murray (D)
TITLE: Department of Transportation
LOCATION: Senate Rules Committee
CODE SECTION:

An act to amend Section 91 of the Streets and Highways Code, relating to transportation.

SUMMARY:

Relates to the Department of Transportation responsibility for improving and maintaining the state highways. Makes a nonsubstantive change to that provision.

DIGEST:

LEGISLATIVE COUNSEL'S DIGEST

SB 98, as introduced, Murray. Department of Transportation.

Existing law makes the Department of Transportation responsible for improving and maintaining the state highways.

This bill would make a nonsubstantive change to that provision.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

01/14/2005	INTRODUCED.
01/27/2005	To SENATE Committee on RULES.
Subject:	Transport

CA SB 110

AUTHOR:	Florez (D)
TITLE:	Fresno County Transportation Authority
FISCAL COMMITTEE:	no
URGENCY CLAUSE:	no
LOCATION:	SENATE
CODE SECTION:	

SUMMARY:

An act to amend Section 142263 of the Public Utilities Code, relating to transportation.

Amends the Fresno Transportation Improvements Act which establishes Fresno County Transportation Authority, which is authorized to impose a sales tax for transportation purposes, subject to voter approval. Requires the language presented to the voters to include the nature of the tax to be imposed, the tax rate or maximum tax rate, the period during which the tax will be imposed, and the purposes for which the revenue from the tax will be used.

DIGEST:

LEGISLATIVE COUNSEL'S DIGEST

SB 110, as introduced, Florez. Fresno County Transportation Authority.

The Fresno Transportation Improvement Act establishes the Fresno County Transportation Authority, which is authorized to impose a sales tax in Fresno County for up to 30 years for transportation purposes, subject to voter approval. Existing law specifies the wording of the proposition to be presented by the board of supervisors to voters in that regard.

This bill would delete the specific language for the proposition, and instead would require the language presented to the voters to include the nature of the tax to be imposed, the tax rate or maximum tax rate, the period during which the tax will be imposed, and the purposes for which the revenue from the tax will be used. The bill would authorize the board of supervisors to designate an agency to place the matter before the voters of Fresno County.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

01/24/2005	INTRODUCED.
Subject:	Transport

CA SB 172

AUTHOR:	Torlakson (D)
TITLE:	Seismic Retrofit Projects
FISCAL COMMITTEE:	yes
URGENCY CLAUSE:	no
LOCATION:	SENATE
CODE SECTION:	

SUMMARY:

An act to amend Section 188.5 of the Streets and Highways Code, relating to transportation.

Relates to seismic retrofit of state-owned toll bridges. Requires that reports be submitted within 45 days after the end of each quarter and include a summary to the budget status for support and capital outlay construction costs. Requires specified actions to manage the risks associated with such projects.

DIGEST:

LEGISLATIVE COUNSEL'S DIGEST

SB 172, as introduced, Torlakson. Seismic retrofit projects.

Existing law provides for the seismic retrofit of state-owned toll bridges. Under existing law, the Department of Transportation is required to report quarterly to the Legislature and the California Transportation Commission for each seismic retrofit project.

This bill would require that these reports be submitted within 45 days after the end of each

quarter and include a summary of the budget status for support and capital outlay construction costs. The bill would also require the department to take specified actions to manage the risks associated with the seismic retrofit projects.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

STATUS:

02/09/2005	INTRODUCED.
Subject:	Revenue/Bond, Transport

CA SR 8

AUTHOR:	Torlakson (D)
TITLE:	Transportation and Housing
LOCATION:	Senate Transportation and Housing Committee
CODE SECTION:	

Relative to transportation and housing.

SUMMARY:

Declares that the Senate places a high priority during the 2005-06 Regular Session on improving access to housing and reducing traffic congestion by promoting affordable housing, infill development, and other policies that allow people to live closer to their workplaces.

DIGEST:

LEGISLATIVE COUNSEL'S DIGEST

HOUSE OR SENATE RESOLUTIONS DO NOT CONTAIN A DIGEST

Be it resolved by the Senate of the State of California, That the Senate places a high priority during the 2005-06 Regular Session of the Legislature on improving access to housing and reducing traffic congestion by promoting affordable housing, infill development, and other policies that allow people to live closer to their workplaces.

STATUS:

01/11/2005	INTRODUCED.
01/11/2005	To SENATE Committee on RULES.
01/27/2005	Withdrawn from SENATE Committee on RULES.
01/27/2005	To SENATE Committee on TRANSPORTATION AND HOUSING.
Subject:	Housing, Transport

March 2005 Events

Visit www.scag.ca.gov for the latest information.

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 11:00a Communication & Membership	2 *Gateway Cities COG Board Meeting* 11:30a ASPA	3 8:00a Executive 9:00a ADMIN 10:30a EEC 10:30a CEHD 10:30a TCC 12:30p RC	4 *AQMD Board* 10:00a VCTC	5
6	7 *WRCOG Exectuive Committee*	8	9 9:00a RCTC	10 *Independent Cities Association* *VCOG* 10:00a ATAC	11	12
APTA Legislative Conference (Washington, DC)			**AMPO (Washington, DC)**		**Nationl League of Cities Congressional City ...**	
13	14 *OCTA*	15	16 *UCLA Economic Forecast Conference* 9:30a Goods Movement 11:15a MAGLEV	17 *SGVCOG*	18	19
Nationl League of Cities Congressional City Conference (Washington, DC)			**CSAC Legislative Conference**			
20	21	22 10:00a Transportation Conformity Working Group	23 9:30a Modeling Task Force	24 *OCCOG Board* *SBCCOG* 9:30a Subregional Coordinators	25	26
	Congressional Spring District Work Period					
27	28 *CVAG Board* *OCTA*	29	30 11:00a Benchmarks Task Force	31		
Congressional Spring District Work Period						

INFORMATIONAL ONLY. DATES/TIMES SUBJECT TO CHANGE WITHOUT NOTICE

Printed February 17, 2005

April 2005 Events

Visit www.scag.ca.gov for the latest information.

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1 *Congressional Spring District Work Period* *AQMD Board* 10:00a VCTC	2
3 **APTA Commuter Rail Conference**	4 *WRCOG Executive Committee*	5 11:00a Communication & Membership	6 *SANBAG Board* *Gateway Cities COG* 11:30a ASPA	7 *LA County League of Cities* 8:00a Executive 9:00a ADMIN 10:30a EEC 10:30a CEHD 10:30a TCC 12:30p RC	8	9
10	11 *OCTA*	12	13 9:00a RCTC	14 10:00a Water Policy 10:00a Aviation Technical Advisory Committee (location varies) 12:00p Strategic Plan	15	16
17	18	19	20 9:30a Goods Movement 10:00a Audit/Best Practices 11:15a MAGLEV	21 *SGVCOG* 1:30p RSTIS	22	23
24	25 *OCTA* *CVAG*	26 10:00a Transportation Conformity Working Group	27	28 *OCCOG Board* *SBCCOG* *San Bernardino County City/County Managers TAC* 9:30a Subregional Coordinators	29	30

INFORMATIONAL ONLY. DATES/TIMES SUBJECT TO CHANGE WITHOUT NOTICE

Printed February 17, 2005

May 2005 Events

Visit www.scag.ca.gov for the latest information.

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3 11:00a Communication & Membership	4 *SCAG 2005 General Assembly* *Gateway Cities COG* 11:30a ASPA	5 8:00a Executive 9:00a ADMIN 10:30a EEC 10:30a CEHD 10:30a TCC 12:30p RC	6 *AQMD Board* *VCTC*	7
8	9 *OCTA*	10	11 9:00a RCTC	12 *VCOG* 10:00a Aviation Technical Advisory Committee (location varies)	13	14
15	16	17	18 9:30a Goods Movement 11:15a MAGLEV	19 *SGVCOG*	20	21
22	23 *OCTA*	24 10:00a Transportation Conformity Working Group	25 9:30a Modeling Task Force	26 *San Bernardino County City/County Managers TAC* *SBCCOG* 9:30a Subregional Coordinators	27	28
29	30 *MEMORIAL DAY - SCAG OFFICES CLOSED*	31 11:00a Communication & Membership				

INFORMATIONAL ONLY. DATES/TIMES SUBJECT TO CHANGE WITHOUT NOTICE

Printed February 17, 2005

MEMO

DATE: March 3, 2005

TO: The Regional Council
The Transportation and Communications Committee (TCC)

FROM: Charlotte Pienkos, Government Affairs Analyst
Phone: (213) 236-1811 E-Mail: pienkos@scag.ca.gov

SUBJECT: Southern California Consensus Program Update

SUMMARY:

The third annual Southern California Consensus Program advocacy visit to Washington D.C. is scheduled for Wednesday, February 16th, and Thursday, February 17th. As of this writing on February 10th, representatives from SCAG, Imperial County, Los Angeles County Metropolitan Transportation Authority, Orange County Transportation Commission, Riverside County Transportation Commission, San Bernardino Associated Governments, Southern California Regional Rail Authority (Metrolink), and Ventura County Transportation Commission are attending the event. Meetings are scheduled with the Southern California Congressional Delegation and key Administration officials.

BACKGROUND:

In February 2003, SCAG led the first delegation of regional transportation stakeholders to Washington to present the Southern California Consensus Program for TEA-21 Reauthorization. The reauthorization of TEA-21 stalled over funding levels, however, and a second and third trip were planned in subsequent years to redeliver Southern California's message about the region's transportation priorities to Congress and the Administration. This year's trip will occur on February 16th and 17th.

Momentum is building strongly in Washington to enact a reauthorization before the May deadline, and the region has responded with continued support for the Consensus Program. The SCAG region delegation will meet with members of Congress and agency officials to stress the need to maintain core programs, create projects of national significance, fund New Starts projects, and give regions innovative financing tools. SCAG is coordinating the effort, as in past years, and as authorized by the 2004 SCAG State and Federal Legislative Program.

At the March 3rd meeting of the Regional Council and TCC, information will be available about the outcome of the Southern California Consensus Program trip to Washington.

CP#107689

REPORT

DATE: February 10, 2005

TO: Transportation & Communications Committee

FROM: Naresh Amatya, Lead Regional Planner, Planning and Policy
213-236-1885; amatya@scag.ca.gov

RE: Preliminary Schedule for the next RTP Update

EXECUTIVE DIRECTOR'S APPROVAL:

Kome Ajise for Mark Pisano

RECOMMENDED ACTION:
Approve staff recommendation to move forward with the proposed RTP Update schedule to accommodate a potential interim amendment or an update.

SUMMARY:
Staff presented issues relative to the next RTP Update at your last meeting on February 3, 2005. You directed staff to move forward with the triennial update process and to continue assessing and monitoring potential need for an amendment or an update and report back to TCC with specific recommendation in March. Therefore, this item has been brought back to you with specific recommendation per your direction.

BACKGROUND:
The Regional Council adopted the 2004 Regional Transportation Plan (RTP) on April 1, 2004. Transportation Conformity on the 2004 RTP was approved by the federal agencies on June 7, 2004 for the South Coast Air Basin (SCAB), the Imperial County and Coachella Valley portions of Salton Sea Air Basin (SSAB), and the San Bernardino portion of the Mojave Desert Air Basin (MDAB). Conformity for the Ventura County portion of the South Central Coast Air Basin and the South Desert Modified 1-Hour Ozone Area was approved on June 16, 2004. Both federal (Title 23, CFR Sec.450.322) and state (Government Code 65080(c)) law requires that the RTP be updated at least once every three years in federally designated non-attainment and maintenance areas for air quality such as our region. Accordingly, the current RTP must be updated and adopted by the Regional Council by no later than April of 2007.

Staff presented several issues relative to the next RTP Update at your last meeting on February 3, 2005. The basic question confronting us is whether or not we should entertain an early amendment or an update of the 2004 RTP in order to maintain integrity of the plan and be consistent with the new fiscal realities as they unfold. And, if we do move forward with an early amendment or an update, when should we do it? At your February meeting you directed staff to move forward with the triennial update process

and to continue assessing and monitoring potential need for an amendment or an update and report back to TCC with specific recommendation in March.

Uncertainties associated with the fiscal issues raised by staff that may warrant early amendment or update of the RTP have not changed. Most of these issues are going to take about a year to fully play out. Deciding whether or not to entertain an amendment or an update at that point would be too late. Therefore, in order for us to position ourselves to accommodate an amendment or an early update, we need to gear up now with the update process assuming we will need to meet an early update schedule. In the event that early update becomes unnecessary or irrelevant, we would be in an enviable position of being able to spend more time in further refining the plan for adoption through the regular update schedule. The attached timeline for the proposed RTP update has been prepared based on this premise. The key milestones of the proposed schedule are:

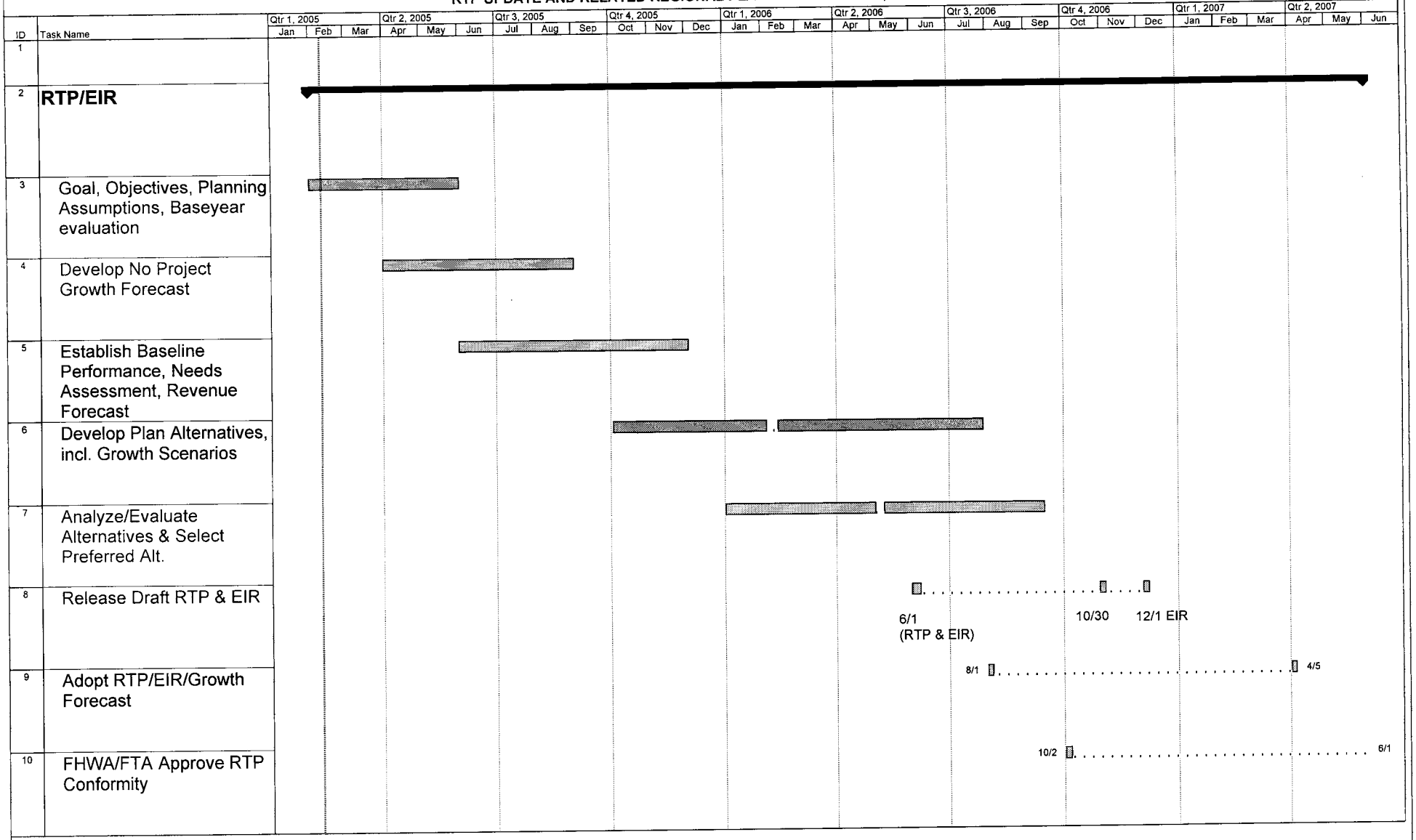
- Complete updating goals, objectives, planing and technical assumptions, baseyear evaluation etc. by May 2005
- Complete development of No-project or Baseline growth by Aug 2005
- Establish Baseline performance conditions, needs assessment and baseline revenue forecast by Nov. 2005
- Develop alternative scenarios, including growth scenarios by Jan 2006. If an amendment or an update becomes unnecessary or irrelevant, continue the alternatives process through July 2005.
- Analyze/evaluate the alternatives by April 2006. If an amendment or an update becomes unnecessary or irrelevant, continue the alternatives evaluation process through Sept. 2005
- Release the Draft RTP/EIR in June 2006. If an amendment or an update becomes unnecessary or irrelevant, release the draft in Oct. 2006.
- Adopt RTP/EIR/Growth Forecast in Aug 2006. If an amendment or an update becomes unnecessary or irrelevant, adopt in April 2007.

Public outreach would occur throughout the process on a continuous and on-going basis. Compliance with coordination and consultation requirements pursuant to AB 1246 will be met by convening the Regional Transportation Agencies Coalition RTAC) at least a month prior to final adoption of the RTP in either scenario. Status reports on RTP development will also be presented to RTAC on a regular basis as needed and appropriate so as to avoid last minute surprises.

Staff recommendation is to move forward with the proposed RTP update schedule accommodating a potential interim plan amendment or an update.

FISCAL IMPACT: HC
No fiscal impact. The budget for this work is already included in the current Overall Work Program (OWP).

DRAFT SCHEDULE
RTP UPDATE AND RELATED REGIONAL PLANNING ACTIVITIES, 2005-2007



REPORT

DATE: March 3, 2005

TO: Transportation & Communications Committee

FROM: Bob Huddy, Senior Transportation Planner
213-236-1972, huddy@scag.ca.gov

SUBJECT: Approve the Southern California Regional ITS Architecture

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION:
Approve the Southern California Regional ITS Architecture.

BACKGROUND:
The FHWA Rule and FTA Policy, 23 CFR 940.9 and 940.11, require that a region that is currently implementing ITS projects must develop a regional ITS architecture to guide their deployment by April 8, 2005. The National ITS Architecture shall be used as a resource in developing the regional architecture. The regional ITS architecture shall be on a scale commensurate with ITS investment in the region. The regional architecture shall contain:

1. Description of the region
2. Identification of the participating agencies and stakeholders
3. An operational concept that identifies roles and responsibilities of stakeholders
4. Any agreements required for operations
5. System functional requirements (high level)
6. Interface requirements and information exchanges with planned and existing systems and subsystems
7. Identification of ITS standards supporting regional and national interoperability
8. Sequence of projects required for implementation

The Rule requires that all ITS projects, and projects with ITS elements, funded through the federal transportation trust funds shall be consistent with the regional architecture, in order to be eligible for the use of those funds.

SCAG, in cooperation and consultation with the Los Angeles County Metropolitan Transportation Authority, Orange County Transportation Authority, Riverside County Transportation Commission, San Bernardino Associated of Governments, Ventura County Transportation Commission, Imperial County, Southern California Regional Rail Authority, and the California Department of Transportation have undertaken an effort to develop the Southern California Regional ITS Architecture. This has been a bottom up effort building on and incorporating significant work already accomplished, updating that work, and where necessary developing new work to meet the National Architecture

requirement. SCAG will complete the required eight points for the Southern California Regional ITS Architecture through the effort described above by the April 8, 2005 deadline and asks that upon completion, that the regional architecture be accepted in compliance with the Regulation.

FISCAL IMPACT: NC
No direct impacts to SCAG, significant benefit to maintaining eligibility for the use of Federal funds in programming regional projects.

Southern California Regional ITS Architecture Conformance with Federal Regulations contained in 23 CFR 940.9 and 940.11.

Architecture Requirements

The following are requirements for conformity with CFR 940.9 and 940.11:

- Any region that is currently implementing ITS projects shall have a regional ITS architecture by April 8, 2005;
- A region is defined as being no less than the boundaries of the metropolitan planning area;
- ITS means electronics, communications, or information processing used singly or in combination to improve the efficiency or safety of a surface transportation system;
- The national ITS Architecture shall be used as a resource in the development of the regional ITS architecture;
- Participation should be from the following agencies as appropriate: Highway agencies; public safety agencies (e.g. police, fire, emergency/medical); transit operators; Federal lands agencies; State motor carrier agencies; and other operating agencies necessary to fully address regional ITS integration;
- The regional architecture shall include at a minimum the following:
    1. A description of the region;
    2. Identification of participating agencies and other stakeholders;
    3. An operational concept that identifies the roles and responsibilities of participating agencies and stakeholders;
    4. Any agreements (existing or new) required for operations;
    5. System functional requirements;
    6. Interface requirements and information exchanges with planned and existing systems and subsystems;
    7. Identification of ITS standards supporting regional and national interoperability;
    8. The sequence of projects required for implementation; and,
    9. Stakeholders shall develop and implement procedures and responsibilities for maintaining the architecture as needs evolve within the region.

The inclusion of all of the above in the architecture document satisfies the federal requirements for the documentation. To aid in the interpretation of some of these requirements the documents follow guidance contained in U.S. DOT publication "Regional ITS Architecture Guidelines – Developing, Using, and Maintaining an ITS Architecture for Your Region" prepared by the National ITS Architecture team October 12, 2001. Each of the documents includes all of the required sections interpreted in accordance with the published guidelines.

Conformity with Regional Definition

The Southern California Regional ITS Architecture is composed of regional ITS architecture documents that cover the six counties of the metropolitan planning area as required. They are as follows:

- Inland Empire Regional Intelligent Transportation Systems (ITS) Architecture (This includes the counties of San Bernardino and Riverside)
- Los Angeles County Regional ITS Architecture
- Orange County Regional ITS Architecture
- Ventura County Regional ITS Architecture
- Imperial County Regional ITS Architecture

In addition there is a document that covers multi-county systems and is called:

- Southern California Regional ITS Architecture – Multi-County Issues.

The architectures for Orange, Ventura and Imperial County are new documents created under the contract with NET and agreed by stakeholders. The Inland Empire and Los Angeles County architectures were developed separately but have been fully adopted by their stakeholders.

Stakeholder Participation

The requirements stress stakeholder participation from a broad range of agencies. For the development of each architecture document extensive stakeholder outreach took place. Monthly meetings were convened, interviews were performed and questionnaires distributed and information retrieved to enable an inventory of ITS systems. This information is captured in the database of a software package specially developed by U.S. DOT. The database for each architecture is part of the final deliverables for the project. In some cases special workshops were held to target specific interests. Each architecture document records the outreach undertaken. A website was established for the project and all agendas, meeting minutes, presentations and deliverables for the new architectures were posted there for comment. Links were also inserted to the existing architecture web sites for the completed architectures. In appendices to the documents, are listed all of the stakeholders who contributed together with tables which record the disposition of comments received. Two comment periods were provided to stakeholders for the final draft deliverables accompanied by presentations to answer all questions and concerns. Stakeholders have agreed to maintain their architectures and to forward any updates to SCAG when requested to do so.

SCAG Architecture Maintenance

For the Southern California Regional ITS Architecture to remain in long-term conformance, SCAG will include all ITS project information in the tri-annual RTIP

process and will log all changes to the individual regional architecture documents. They will also be responsible for regularly convening the multi-county stakeholder group to monitor and review projects of significance for the whole Southern California Region. All Southern California Regional ITS Documentation will be placed on the SCAG website for information purposes.

MEMO

DATE: March 3, 2005

TO: Transportation & Communications Committee

FROM: Nancy Pfeffer, Sr. Regional Planner, 213-236-1869, pfeffer@scag.ca.gov

SUBJECT: SCAG Goods Movement Program Update

SUMMARY:
The Committee will receive an update on the SCAG Goods Movement program, including a review of the policy paper produced for Secretary of Business, Transportation & Housing Sunne Wright McPeak. Other topics will include a report on the Executive Stakeholder Roundtable held at SCAG on February 7th and other current program activities.

BACKGROUND:
Following California Governor Arnold Schwarzenegger's visit to Japan last fall, BT&H Secretary Sunne McPeak asked SCAG and others in Southern California to develop a policy paper conveying the region's needs with respect to goods movement. SCAG staff have been collaborating with numerous other stakeholders since mid-November to develop a consensus on this paper, which has previously been presented to this Committee.

The final version of the paper is attached to this memo, along with a two-page version. In summary, the paper describes the current situation facing the region: growing demand for goods movement, limits on current infrastructure, lack of funds to pay for new infrastructure, and community concerns about health and environmental impacts. It lays out several principles by which these issues should be addressed:

1. *Environmental and community impact mitigation must be integral to the goods movement program.*
2. *Improvements to the goods movement system should not come at the expense of other transportation system investments.*
3. *Investments in the regional goods movement system should be made to realize regional benefits that have statewide implications.*
4. *Funding of these investments must begin now because many key projects will take years to deliver. Without action, congestion will worsen.*
5. *Without leadership and collective action at the state and national level, we will not be able to realize these benefits.*

The paper goes on to describe the current regional goods movement system, the specific improvement needs as they are now understood (which total over $26 billion), and the potential financial mechanisms to pay for them. It concludes with a section detailing the short-term (mainly operational) changes already under way to improve goods movement, the environmental mitigations being pursued, and the long-term physical infrastructure projects now planned.

The paper was delivered to the Secretary February 14, 2005.

On February 7 SCAG hosted an Executive Stakeholder roundtable on Goods Movement that involved both private sector and public sector agencies. There was consensus that collective action was needed and that

public funding alone would not be sufficient, and that the group should continue to meet in a coordinated forum.

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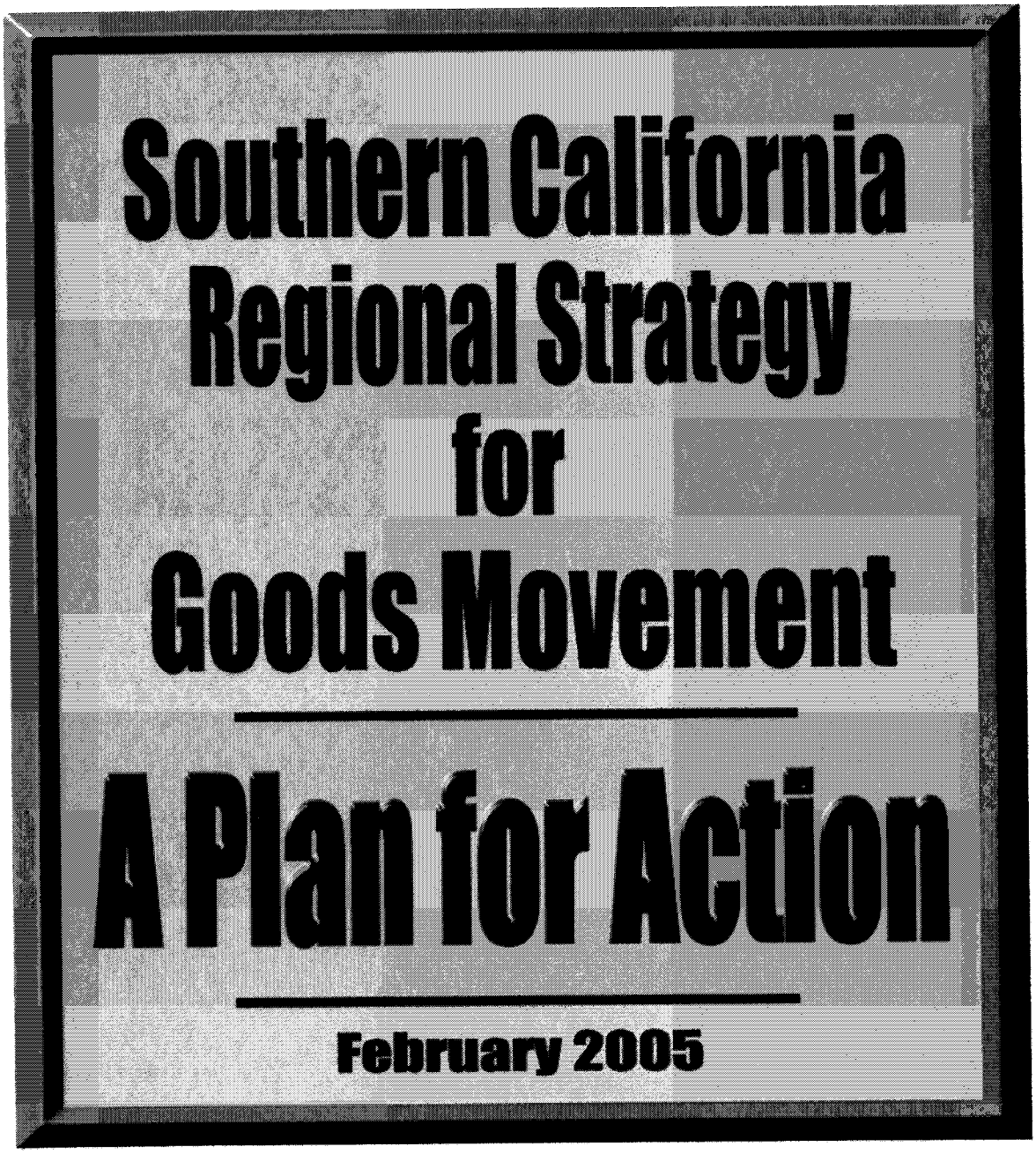
Southern California
Regional Strategy
for
Goods Movement
A Plan for Action
February 2005

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I. The Need: Goods Movement is a Challenge That Affects Everyone

Keeping freight moving through Southern California to the region and the rest of the nation has always been a challenge, but this is a particularly difficult time. In Fall 2004, container ships were lined up outside the San Pedro Bay ports, where a labor shortage slowed the offloading of goods arriving for the holiday shopping season. Intermodal yards in Los Angeles and San Bernardino counties have nearly reached their capacity to transfer containers from trucks to rail. Freight volumes are expected to at least double and maybe triple in the next two decades – and all recent projections have turned out to be underestimates.

Concurrent with all this demand is a rising tide of community pressure to reduce the traffic congestion and related public health impacts of goods movement. Facing criticism from air quality advocates, the Board of Harbor Commissioners of the Port of Long Beach recently rejected an environmental impact report for the Pier J expansion, and port staff estimates it will take a year to complete a more detailed analysis. New studies have associated impaired lung growth in children with air pollution arising from mobile sources such as trucks.

The economic health of the region, state, and nation is also at stake, as is economic opportunity for all the region's inhabitants. The logistics industry provides critical job opportunities, particularly for those with limited formal education. As a group, the logistics sectors pay better than either construction or manufacturing. They provide competitive entry-level pay and defined skill ladders that enable workers to move to higher incomes by on-the-job learning and experience. In this respect, they offer these workers access to the kinds of career paths lost with the demise of traditional manufacturing. Failure to resolve the infrastructure and environmental issues will result in slower growth and inevitable job losses throughout the economy.

At root, this is an issue of global competitiveness for the region, the state, and the nation. Southern California is a global gateway for freight, but it receives more of the burdens and fewer of the benefits than it should. With public funding in short supply, however, we must also face the reality that public-private partnerships will be the cornerstone of any realistic plan of finance.

II. Fundamental Principles and Strategies the Region Has Agreed to Follow

One-third of all waterborne freight container traffic at U.S. ports is handled by the Ports of Los Angeles and Long Beach.[1] Fifty to seventy percent of the freight coming into these two ports is headed for destinations outside the region.[2] Since Southern California supplies goods to the entire nation, a close partnership with the federal government is needed. This theme is reflected in the following principles, which the region's transportation agencies and goods movement system operators have proposed to guide the effort to improve the regional goods movement system.

Principle 1) Environmental and community impact mitigation must be integral to the goods movement program.

- There must be a stronger federal-state partnership to reduce emissions from trucks, ships, trains, and other sources outside local jurisdiction.
- The Governor should work with the President to regulate emissions from foreign-registry vessels via treaty ratification and other international actions. Specifically, the Governor should advocate for the U.S. Senate's ratification of MARPOL Annex VI relating to the control of emissions from ships and for the International Maritime Organization's (IMO) adoption of a Sulfur Emission Control Area (SECA) for U.S. coastal waters.
- The Governor should promptly implement his commitment to direct the California Environmental Protection Agency and California Air Resources Board (CARB) to develop an innovative program to reduce air pollution from the ports, with measurable benchmarks.
- Other community impacts, such as noise, congestion, and visual blight, should be addressed in the environmental review process. This review should be facilitated through coordination among the federal and state agencies involved and should entail a meaningful process for public involvement. The Governor can support this effort by fostering coordination among the state agencies, as the White House is doing at the federal level.
- Establishing a process for community involvement and input as part of the environmental review can help the region identify cost-effective, near-term ways to mitigate local impacts of goods movement.

[1] Port statistics for 2003 from the American Association of Port Authorities, http://www.aapa-ports.org/industryinfo/statistics.htm.

[2] Estimates from Port of Long Beach and from SCAG study on elasticity of port demand, in progress, Spring 2005.

Principle 2) *Improvements to the goods movement system should not come at the expense of other transportation system investments.*

- Other sources of public and private funds must be tapped (homeland security, environmental protection, defense funds, user fees, and growth in customs fees, among others).
- Both the Federal and State governments must act to support innovative procurement and public-private funding mechanisms.

Principle 3) *Investments in the regional goods movement system should be made to realize regional benefits that have statewide implications.*

- Performance Benefits

  The performance-based approach to evaluating transportation investments has shown specific performance benefits. For example, analysis of a proposed dedicated truckway on State Route 60 showed a reduction of more than 50 million vehicle hours of delay annually and a return of $5.92 for every dollar invested in the project. Similarly, a dedicated truckway on Interstate 710 connecting the Ports of Los Angeles and Long Beach to State Route 60 near downtown Los Angeles could reduce over 36 million vehicle hours of delay annually and generate a return of $4.66 for every dollar invested. These dollar returns include savings from reduced delay, accident reduction, reduced vehicle operating costs, and air quality benefits. They show how specific investments in truckways, for example, can have benefits for both trucks and all other users of the transportation system.

  On the freight rail side, the Alameda Corridor project has reduced emissions from idling cars and trucks by 54 percent and cut travel time to 45 minutes from two hours. The Alameda Corridor East and other grade separation projects seek to extend these benefits regionwide.

- Environmental Benefits

  The 2004 Regional Transportation Plan (RTP) explores market-based strategies that can mitigate congestion and associated emissions while accommodating expected increases in trade activity. For instance, user-supported dedicated facilities for goods movement could help bolster the economy, improve safety, relieve congestion, and, if implemented with clean technologies, help improve air quality at the ports, throughout Southern California, and beyond.

  Air quality mitigation must be fully integrated into the goods movement system improvements. Substantial air quality benefits can be realized by accelerating fleet modernization and retrofitting trucks, ships, and trains with

cleaner technologies. Investment in modernizing and retrofitting the goods movement fleet, depending on mode, may be a cost-effective method to reduce emissions of particulate matter (PM) and smog-forming nitrogen oxides (NOx). For example, an investment of approximately $300 million a year for the next five years could potentially remove the 50,000 dirtiest diesel trucks from Southern California, which would achieve a 50% reduction of NOx and an 80% reduction in PM emissions from these trucks. Retrofitting locomotives, marine vessels, and diesel equipment could also provide a cost-effective investment to reduce NOx and PM emissions.

Of the roughly 33 tons of NOx that cargo ships emit at the two ports each day, about 40% are emitted from ships while they are docked. Thus the potential benefits for retrofitting ships and the port facilities to permit alternative maritime power (such as cold-ironing) are substantial. It is estimated that the costs of installing the dockside infrastructure might range from $750,000 to $5 million per berth, and the costs of retrofitting ships might range from $200,000 to $1 million. Vessel speed reduction programs can further reduce emissions from cargo ships and provide substantial fuel consumption and fuel cost savings.

- Economic Benefits

The freight logistics industry – wholesale trade, warehousing, and transportation sectors – represents over 8 percent of the Southern California Association of Governments (SCAG) region's total employment, or 611,000 jobs in 2003.[3] Since 1990, the logistics industry has contributed more than 12 percent of total job growth in the region. SCAG's projection shows that the industry will almost double its employment size by 2030, to reach over 1,000,000 jobs and account for almost 10 percent of regional employment.

Moreover, over a quarter million manufacturing jobs directly related to merchandise exports are supported by the logistics infrastructure. The logistics industry also pays well: its average weekly pay – $847 in 2003 – is more than two times the pay in the leisure and hospitality sectors ($400/week), and is even higher than average weekly pay in manufacturing ($843).

Economic impacts from $20 billion worth of investments in the regional goods movement system estimated using the IMPLAN[4] model are presented in Table 1. It should be noted that the estimates shown here result from just two facets of the investments: construction impacts, and the follow-on effects of the projects on the efficiency of the region's goods movement system. Other

[3] This is a conservative estimate in that it does not include transportation and warehousing functions performed in-house by many businesses.

[4] The SCAG IMPLAN Input-Output Model (developed by Minnesota IMPLAN Group, Inc.) is a PC-based economic impact assessment modeling system, which can estimate a full range of economic impacts through inter-industrial interactions and household activities.

benefits, such as air quality, health benefits, and system-wide reductions in congestion delay attributable to these projects are not included in the estimates. Moreover, the economic benefits from investments of this magnitude will not be confined to the SCAG region; positive state and national economic impacts will also be generated.

As indicated in Table 1 on the following page, the region is expected to gain a total of almost 277,000 jobs during the construction phase of the goods movement infrastructure projects (between now and 2015). Total wage and salary income from these construction-related jobs will be almost $9.5 billion, with average wages ranging between 12 and 28 percent higher than existing average salaries paid per job, depending on where the investment is made in the region. It is estimated that the projects will generate over $2 billion in federal, state and local tax receipts, with the local and state government share estimated at $520 million through 2015. Converting these figures to present values using a discount rate of 5% yields a total of close to $7 billion for wage and salary income and $1.6 billion of total tax receipts between now and 2015.

The goods movement projects' impacts on the logistics industry and on the overall economy due to a more efficient transportation system will start to phase in beginning in 2010 (as some projects begin operation) and become fully effective in 2015, when all projects are assumed to be completed. Using a 30-year planning period starting in 2005 and a discount rate of 5%, the present value of total federal, state, and local tax receipts from these additional growth impacts amounts to over $16 billion between 2010 and 2035.

The present value of total tax revenues from the construction phase and from the additional jobs and income resulting from efficiency improvement of the goods movement system are estimated at $17.6 billion in federal, state, and local tax revenue over the 30-year period.

Table 1. Overall Economic Impacts of Regional Goods Movement Initiatives[5]

OVERALL ECONOMIC IMPACTS OF THE REGIONAL GOODS MOVEMENT INITIATIVE						
	Goods Movement Infrastructure Initiative					
				Tax Impacts from Construction		
	Total Investment	Job Impacts from Construction*	Total Personal Income Impacts	Federal Tax Receipts	State & Local tax Receipts	Total Tax Receipts
Truckway	$16,533	227,040	$7,757	$1,326	$426	$1,752
Rail Investment	$3,400	49,876	$1,704	$291	$94	$385
Total in 2005 Constant Dollar	$19,933	n.a.	$9,462	$1,617	$520	$2,137
Total in Present Value@	$14,635	n.a.	$6,958	$1,189	$382	$1,572
Total Job Impacts	n.a.	276,915	n.a.	n.a.	n.a.	n.a.

	Additional Growth in Logistics & Economy*					
				Tax Impacts from Additional Growth		
	Total Investment	Job Impacts+: Logistics & Overall Economy	Total Personal Income Impacts	Federal# Tax Receipts	State# & Local tax Receipts	Total# Tax Receipts
Truckway	n.a.	95,025	n.a.	n.a.	n.a.	n.a.
Rail Investment	n.a.	82,725	n.a.	n.a.	n.a.	n.a.
Total in 2005 Constant Dollar	n.a.	n.a.	$252,407	$30,173	$9,716	$39,889
Total in Present Value@	n.a.	n.a.	$101,517	$12,135	$3,908	$16,043
Total Job Impacts	n.a.	177,750	n.a.	n.a.	n.a.	n.a.

	Total					
				Total Tax Impacts		
	Total Investment	Total Job Impacts	Total Personal Income Impacts	Federal Tax Receipts	State & Local tax Receipts	Total Tax Receipts
Truckway	$16,533	322,065	$7,757	$1,326	$426	$1,752
Rail Investment	$3,400	132,601	$1,704	$291	$94	$385
Total in 2005 Constant Dollar	$19,933	n.a.	$261,868	$31,790	$10,236	$42,026
Total in Present Value@	$14,635	n.a.	$108,475	$13,324	$4,290	$17,615
Total Job Impacts	n.a.	454,665	n.a.	n.a.	n.a.	n.a.

* Investment starts in 2006 and is completed by 2015.

+ Growth and job gains in Logistics Industry and overall economy, above projected trend growth, as results of more efficient goods movement system. The job impacts will start to phase in from 2010 and become fully effective in 2015 as all projects completed.

Projected total tax impacts from additional 177,750 jobs from 2015 to 2035.

@ Discount Rate: 5%

[5] Based upon $20 billion invested between now and 2020. Impacts are for project construction only.

Principle 4) *Funding of these investments must begin now because many key projects will take years to deliver. Without action, congestion will worsen.*

Projects that can begin delivering benefits in the near term must be driven to rapid completion, while implementation of longer-term projects should start as soon as possible. Operating efficiency improvements should be implemented as soon as possible to get the most out of existing infrastructure.

Principle 5) *Without leadership and collective action at the state and national level, we will not be able to realize these benefits.*

- The Governor should support legislation to provide for innovative project procurement and financing.
- The Governor should work with the U.S. Secretary of Transportation and Congress to support specific elements of pending federal legislation beneficial to goods movement (i.e., the National Corridor Infrastructure Improvement Program, Freight Intermodal Connectors, and Projects of National and Regional Significance).
- The Governor should require state agencies to coordinate environmental review procedures[6] and should seek White House approval to include this initiative on the President's list of priority transportation projects for coordinated decision-making across federal agencies.[7]
- The Governor and regional stakeholders should work with the new U.S. Department of Transportation Southern California Gateway office in Long Beach on local implementation of new national and state policies.

III. How the Goods Move Today

Goods move into, out of, and within Southern California via a complex system of transportation facilities and agencies. This system links the region to the rest of the state and to the nation, helping to sustain the region's economy and contributing to our quality of life.

The regional goods movement system[8] includes three seaports (Los Angeles, Long Beach, and Hueneme), three ports of entry (POE) along the Imperial County border with Mexico, several commercial airports actively handling cargo, six rail intermodal yards – five in Los Angeles County and one in San Bernardino County – and a growing array of trucking and

[6] In order to implement this, we need a responsible state agency or other institution to function as the lead agency.

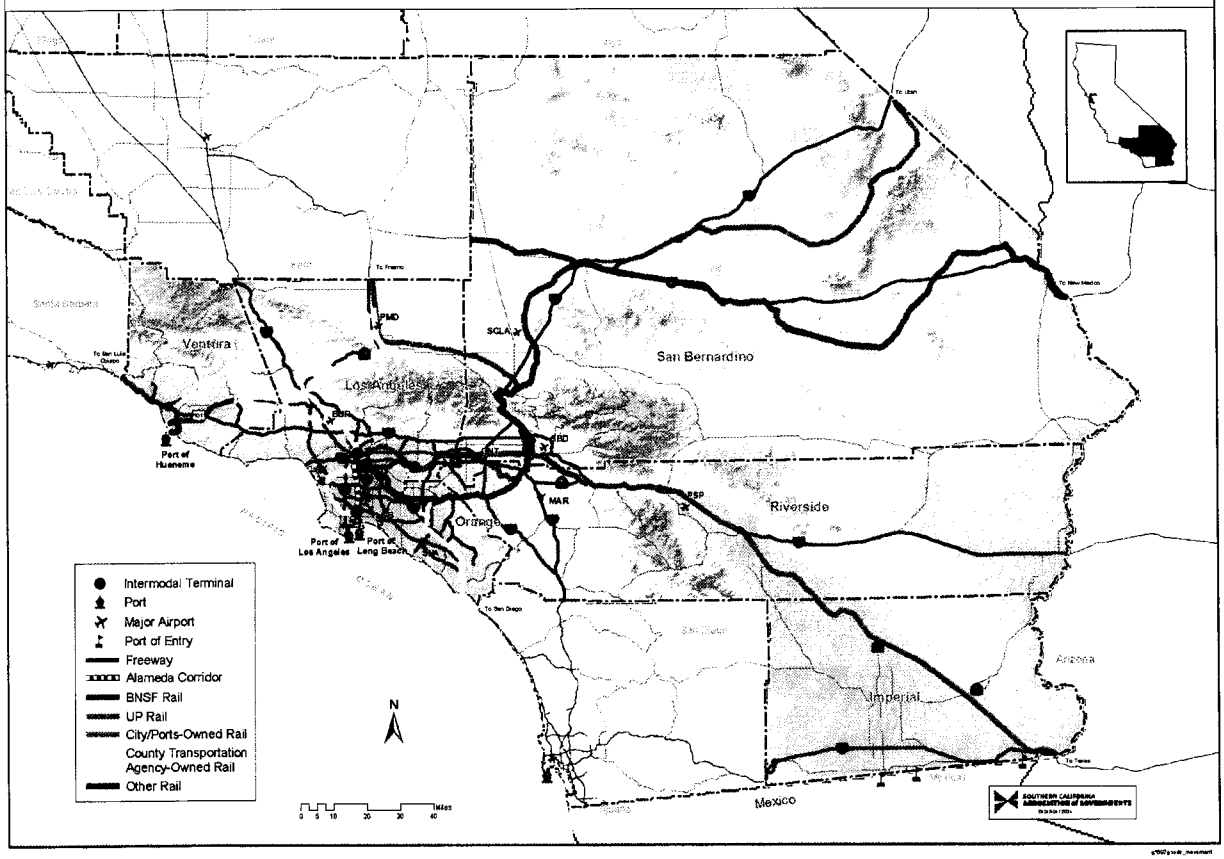
[7] President Bush's 2002 Executive Order 13274 instructs DOT to select priority transportation projects for a coordinated environmental decision-making process. See http://www.fhwa.dot.gov/stewardshipeo/index.htm for more information.

[8] The geographic scope of this paper is the SCAG region, which includes the Counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura.

distribution centers, warehouses, manufacturing and retailing venues. Within the region, goods travel to and between these points via eight railroad mainlines, additional branch lines, and four short line railroads, as well as by the region's freeways and many arterial and local streets.

Map 1 shows the existing regional goods movement system.

Map 1. Existing Goods Movement System in the SCAG Region



IV. A Unified Goods Movement System Solution, and How to Pay for It[9]

It is clear that substantial investment will be needed to provide the infrastructure to carry goods to and through Southern California safely, quickly, with minimal local cost and with maximum local economic benefit. This need arises at a time when public funds are extremely limited. SCAG and its member counties are working with Sacramento and Washington to direct a more equitable share of transportation funding to the region relative to the value we now contribute to other parts of the country. The region annually develops a Consensus Program to communicate its needs to Washington with a unified voice.

The transportation agencies, railroads, ports, and other operators of the region's goods movement system have been working together for some time to address the growing demand. Section V of this paper provides further details about the short- and long-term operational and infrastructure changes under way in the region.

A consensus is emerging on the specific projects and investments that are needed in the region to keep freight moving, mitigate environmental and community impacts, and avoid the loss of job and tax revenue growth. Table 2 on the next page is an unprioritized list of examples of major projects that are currently understood to be needed over the next ten years, with a total cost that approaches $30 billion. As the regional understanding of needs evolves, this list will be refined over time.

[9] Further detail is being developed on the finance mechanisms for goods movement improvements including a discussion of tax credit bonds at the state or federal level and other financial mechanisms as appropriate.

Table 2. Southern California Regional Goods Movement System: Potential Needs[a]

Project	Tentative Total Cost ($Millions)
Alameda Corridor East	$2,500
Colton Rail Grade Separation	$90
Rail Capacity Improvements (all counties, includes mitigation measures)[b]	$3,400
Near-Dock Intermodal Facility, LA/LB[c]	TBD
New Rail San Fernando to Antelope Valley[c]	TBD
Port/Rail Intermodal Access, Ventura	$18
Santa Paula Branch Line from Santa Clarita to Port Hueneme[c]	TBD
Shuttle Train Inland Terminal[c]	TBD
Rail/Grade Separation Subtotal	***$6,008***
SR-57 Truck Climbing Lane	$68
SR-91 Truck Storage Lane	$5
SR-115 Improvements	$76
I-15 Truckway	$10,100
East-West Corridor[d]	$4,300
I-5 Truckway[c,d]	TBD
I-710 Corridor/Gerald Desmond Bridge Gateway Program • Gerald Desmond Bridge • I-710 Corridor[e]	 $605 $4,500
SR-78/Brawley Bypass[f]	$108
SR-47 Improvements	$420
110 Freeway/SR-47/Vincent Thomas Br.	$23
Highway/Other Subtotal	***$20,205***
Grand Total	**$26,213**

Notes:

a) Costs reflect current dollar estimates—not adjusted for inflation.

b) Costs associated with surface traffic and other mitigation measures may be greater than current cost estimates reflected in the ACE total. Accordingly, additional mitigation needs are accounted for in this rail capacity improvement total.

c) These projects have been identified since the adoption of the financially constrained 2004 RTP. Costs still need to be determined for these projects.

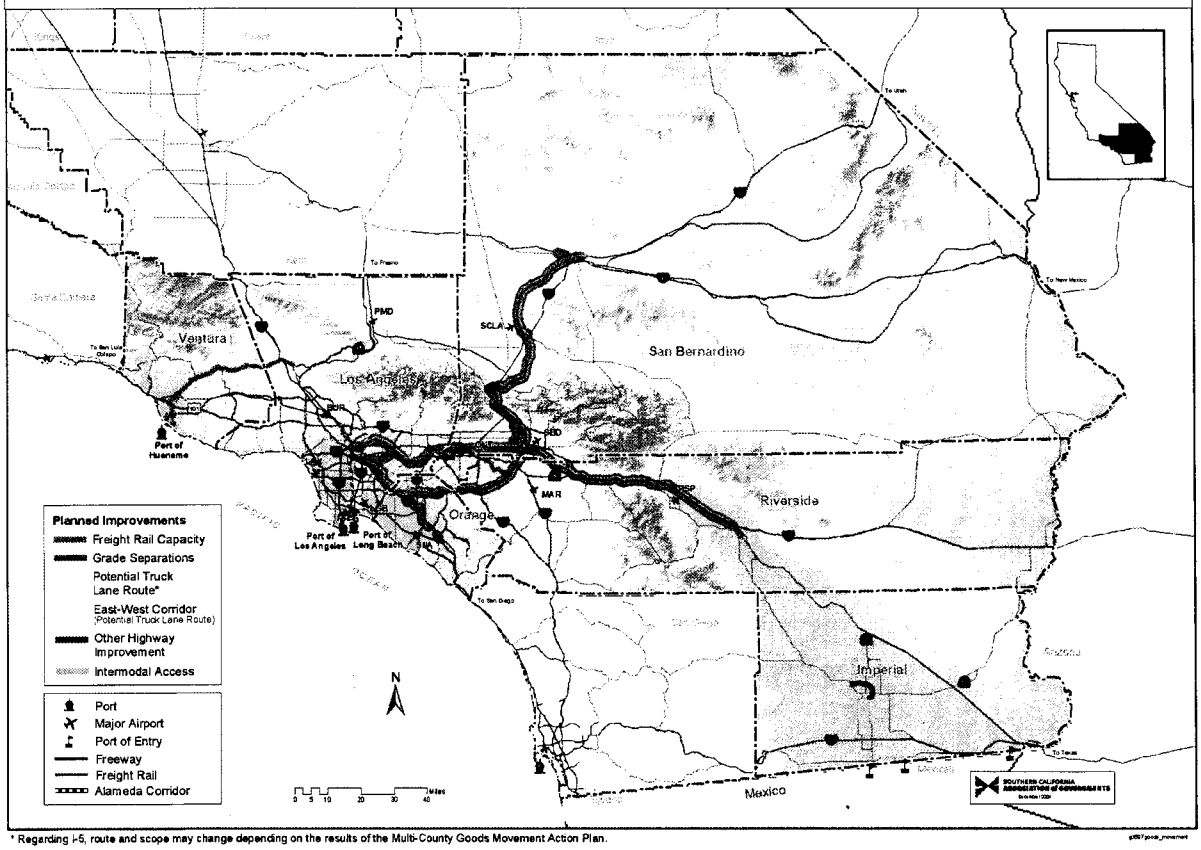
d) Route and scope may change depending on the results of the Multi-County Goods Movement Action Plan (see Section V).

e) The $4.5 billion cost estimate is based upon more recent corridor analyses/studies assuming a broader project scope than what is currently reflected in the 2004 RTP at $2.2 billion.

f) Costs reflect total project costs even though phases may be programmed in the current TIP.

Members of Southern California's congressional delegation have requested $745 and $900 million in funding for the I-710/Desmond Program and Alameda Corridor East, respectively, as Projects of National and Regional Significance under the reauthorization of the Transportation Equity Act for the 21st Century. Clearly, these requests are only first steps towards meeting the regional needs outlined above. Map 2 shows the regional goods movement system as it would look with these investments. (The map does not include projects whose precise locations are not yet known.)

Map 2. Needed Additions to the Goods Movement System



* Regarding I-5, route and scope may change depending on the results of the Multi-County Goods Movement Action Plan.

Again, given current limits on local and state finances, innovative methods will be needed to procure and pay for these system improvements. Policy makers have the responsibility to enhance innovative financing opportunities so that public funds can better support critical goods movement projects that contribute to the national economy, local communities, and the environment. Accordingly, regional goods movement financing recommendations include the expansion of existing federal credit enhancement programs and the establishment of tax incentives to facilitate public-private partnerships – in conjunction with user/beneficiary fees and more efficient procurement arrangements, as briefly outlined below:

a) **Transportation Infrastructure Finance and Innovation Act of 1998 (TIFIA)** – The TIFIA program provides direct federal loans, loan guarantees, and standby lines of credit to large projects of national significance. The program must be expanded to include broader eligibility provisions for application to goods movement projects including privately owned freight rail infrastructure. Further, access to TIFIA credit enhancement tools must be facilitated by establishing a pre-TIFIA equity infusion or "pipeline" program whereby federal assistance in the form of direct grants are provided to advance projects to at least 30 percent design – covering early stage development phase activities,

which often present substantial risks and challenges for private sector partners. Accordingly, federal assistance targeted during this initial development phase can induce private sector co-investment and further bridge the gap for accessing already existing innovative financing mechanisms.

b) **Tax-exempt private activity bonds for goods movement facilities** – State and local governments currently utilize the most common method of borrowing to support the development of infrastructure by issuing municipal bonds – backed by dedicated revenue streams. Municipal bonds are interest bearing obligations issued by state or local governments to finance public facilities. The interest paid to investors is exempt from federal income tax and sometimes state income tax, providing considerable savings to borrowers/project sponsors – approximately a 20-25% interest saving in present value terms. Access to the tax-exempt municipal bond market has been critical in serving as a form of federal assistance to states and localities for investment in infrastructure. However, the issuance of tax-exempt bonds is subject to a complex set of federal regulations and restrictions, particularly when the project being financed involve private sector participation – then considered private activity financing. Federal assistance programs, however, must be targeted to encourage public-private partnerships in the development of goods movement facilities that generates economic returns as well as spillover public benefits (safety, mobility, air quality, and national security). Federal programs must encourage projects that have revenue-generating ability and private sector co-investment.

c) **Tax-credit bonds for goods movement facilities**[10] – Tax credit bonds currently in existence include Qualified Zone Academy Bonds (QZABs) to finance improvements in public schools located in disadvantaged areas. These instruments effectively offer zero interest cost borrowing, representing more than 50% saving in present value terms to borrowers/project sponsors – indeed, a substantially deeper subsidy than even tax-exempt bonds could provide. Similar to the existing QZAB program, the proposed tax credit bond pilot program for freight infrastructure development would be structured more generally as follows:

- Project sponsors would be responsible for only the principal portion of the debt (backed by project generated revenues).
- Project sponsors would establish a sinking fund deposit and collect investment earnings to repay the principal at maturity (20 years).
- The U.S. Treasury would pay the "interest" portion of the debt through taxable federal income tax credits.
- Tax credits may be decoupled – stripped such that the principal and credit components can be sold separately, improving market efficiency and expanding buyers base to pension funds and individual investors.
- Tax credits may be transferred through sale and repurchase agreements.

[10] The Multi-County Goods Movement Action Plan (see Section V) proposes that this issue needs to be reviewed and resolved at the State level.

d) **Tax Credit Equity** – Another strategy being considered includes the use of tax credit equity financing whereby investors would contribute up-front capital to fund a portion of the project costs, and in turn receive annual tax credit, plus principal at maturity. The project sponsor, on the other hand, would make matching contributions. Tax credit equity financing could be structured similarly to the New Markets Tax Credit program – which was established by the Community Renewal Tax Relief Act of 2000 to stimulate equity investment in the economic development of low-income communities – for commercial and mixed use facilities.

e) **User/Beneficiary Fees** – The use of any of the aforementioned federal credit enhancement and/or tax incentive programs must be targeted for projects that have revenue-generating ability and/or a form of user/beneficiary fee component to pay back the principal associated with construction as well as mitigation needs. The proposed business model approach would enable private sector partners to address their capital improvement needs with lower-cost federal financing instruments while also addressing mitigation measures necessary to accommodate growth in freight traffic through local communities.

f) **Innovative Procurement Arrangements/Project Delivery Systems** – Project delivery systems are defined by the development process and procurement methods utilized to implement projects in a timely and cost-effective manner. Innovative methods to project delivery include design-build (and further variations such as design-build-operate, design-build-operate-transfer, and design-build-transfer-operate). Each option provides advantages depending on the project. Essentially, the design-build method further facilitates the project development process by forging the designer and builder into a single contract to provide design and construction services and transfer the construction risk from the public agency. This method condenses the project timeline by compressing the delivery process from two distinct phases into one. Employing innovative project delivery methods can accelerate project completion, which in turn results in cost-savings.

   Under California law, the construction portion of most public works contracts must be awarded on a least-cost basis. Accordingly, only transit agencies and selected local jurisdictions have the requisite statutory authorizations to employ innovative project delivery methods such as design-build. Moreover, a few large projects in California have utilized innovative project delivery methods by seeking special legislative authority. In order to facilitate a public-private partnership framework, innovative procurement/project delivery systems must be authorized.

g) **U.S. Customs Duties** – According to the financial statements of U.S. Customs and Border Protection in fiscal year 2003, almost $5.5 billion was collected in duties in the Los Angeles port district for goods that were imported into and exported from the United States. This represents 20% of all the duties collected at all U.S. ports of entry. Most of this money is deposited into the Treasury to fund other federal agency programs. A portion of this money could be used to fund infrastructure improvements that support the efficient flow of imported and exported goods in the Los Angeles area.

Homeland security is of particular concern to the region's goods movement system, in particular its ports. The U.S. Coast Guard and Customs agents currently conduct the majority of security inspections of incoming vessels, giving priority to the most hazardous cargo based on vessel origins and other intelligence. The Ports of Los Angeles and Long Beach estimate that they would need $250 million over five years to make needed security improvements, but nationwide federal grant funding for this purpose was only $150 million last year. Given Southern California's contributions to national commerce, clearly the region deserves a larger share of available federal funding. The region and state must work together to support the White House's request to Congress for additional homeland security funding.

Traditional grant programs alone cannot provide all the needed resources to efficiently deliver critical projects in the SCAG region. There must be greater incentives and flexibility in the use of debt and equity financing for goods movement projects capable of generating creditworthy revenue streams and providing substantial economic benefits beyond the local parameters of the project. Concurrently, efficient procurement/project delivery systems must be utilized to fully realize public benefits.

V. How We Are Improving the Goods Movement System Currently

Southern California has taken many steps to keep goods moving through the region. One of the most noteworthy accomplishments is the Alameda Corridor, a freight rail "expressway" completed in 2002 between the ports and the transcontinental rail network in downtown Los Angeles that speeds freight through in less than half the previous time and in an environmentally friendly manner. The state and regional transportation agencies have financed and implemented highway improvements to facilitate goods movement and reduce highway congestion. Similarly, the Ports of Los Angeles and Long Beach have spent close to $800 million over the last six years for on-dock rail facilities and regionally significant highway improvements.

In recognition of the immediate pressures in the region, many additional initiatives are already under way. These efforts range from privately initiated operational changes at the San Pedro Bay ports to public infrastructure projects on inland freeways. The 2004 Regional Transportation Improvement Program (RTIP), for example, contains $2 billion in goods-movement-related projects that are slated to start within the next six years.

The five County Transportation Commissions in the SCAG region (Los Angeles, Orange, Riverside, San Bernardino, and Ventura) are working with SCAG and the four Caltrans districts (7, 8, 11, and 12) on a 2-year project to develop an implementation plan for the Southern California goods movement system. The mission of this Multi-County Goods Movement Action Plan effort, which is administratively led by LA County MTA, is to partner with the private sector in the development of a strategy and implementation plan for an improved regional goods movement system that will consider and, as appropriate, include all of the actions described below. The effort has already begun to involve all of the region's goods movement stakeholders, and will continue to do so.

The following sections briefly describe three categories of initiatives:

- Operating enhancements
- Environmental mitigations/enhancements, and
- System/physical enhancements.

Each category includes both short-term actions – generally, those that will have an effect immediately, or within about the next five years – and longer-term actions. These initiatives demonstrate accountability by following the state's preferred hierarchy of transportation system actions: from preserving and improving the performance of the existing system, through the use of technology to improve operations and reduce impacts, to the last-resort of capital expenditure on system expansion. Even with the current operational and technology initiatives, there is no question that substantial investments in system expansion are needed for the Southern California goods movement system.

Operating Enhancements

The following operational initiatives are essentially all short-term strategies. *It is critical to understand that even if all these strategies are successful, they will get us through only the next five years.* Thus, the region must work now to develop plans and funding sources for longer-term efforts.

a) **Extended San Pedro Bay Port Gate Hours ("PierPass") –** Although 18-20% of the current marine terminal gate volumes move during off-peak hours, most containers enter or exit terminals during the day shift from 8:00 a.m. to 5:00 p.m. Terminal operators at the Ports of Los Angeles and Long Beach have developed a plan to introduce five additional off-peak shifts per week at all 13 terminals. The goal is to make better use of available roadway capacity at night and on the weekend and try to shift 40% or more to off-peak hours. PierPass, Inc. is a special purpose entity created to administer the program.

   Starting at the end of the first quarter 2005, PierPass will collect a container fee (initially set at $20 per twenty-foot equivalent unit or TEU) from importers/exporters or their agents. A refund will be given for containers that use off-peak gates (defined as the night shift from 5:00 p.m. to 3:00 a.m. and weekends). The following movements will be exempt from the fee: domestic transshipments (containers transferred from one ship to another in domestic trade), empty containers, chassis, domestic cargo (including Hawaii and Guam), and those containers subject to the Alameda Corridor Transportation Authority (ACTA) fees. A recent survey by ACTA of warehouse and distribution center operators indicates willingness to extend their own operating hours to meet the ports' extended gate operations.

   Marine terminal operators developed the PierPass program in response to AB 2041 submitted by Assemblymember Alan Lowenthal in the 2004 legislative session. The bill

would have imposed a fee on daytime gate moves, but the Assemblymember agreed to withdraw the bill after the industry developed its own plan.

b) **Addition of Labor at the Region's Ports** – In the summer of 2004, the Pacific Maritime Association reached agreement with the International Longshore and Warehouse Union to hire 3,000 additional "casual" (non-registered) workers to alleviate a labor shortage at the two **San Pedro Bay** ports. Since September over 3,000 new casuals have been trained and certified. An additional 2,000 existing "casual" workers have also been promoted into the registered ranks of the union. This brings the total number of regular and casual workers up to over 12,000 members, with the plan to increase the membership to close to 15,000 within a year. Additional labor is also being sought at Port Hueneme.

c) **Virtual Container Yard** – A "virtual" container yard (VCY) would be an Internet-based matching service for empty containers. A local import container load is transported by truck to a warehouse or distribution center. Once that container is unloaded it is typically hauled back empty to the port terminal. But what if that empty container could meet the needs of an exporter in the region? The container could be transported to the export location and then sent back loaded to the port. This would also avoid the necessity of dispatching an empty container from the port to pick up an export load. The intent of the VCY is to reduce the vehicle miles of travel associated with the movement of empty containers.

   It has been estimated that approximately 2% of the import containers are currently taken directly to exporters. The goal of the VCY is to increase that percentage to at least 10%. The ports and ACTA hope to implement a VCY in 2005.

d) **Increased Use of On-Dock Rail Yards** – Approximately 18% of all containers moving through the Ports of Los Angeles and Long Beach are transferred to and from trains at "on-dock" rail yards; i.e., yards that are located on or very near the marine terminal. This is distinguished from yards that are "near-dock", such as the Intermodal Container Transfer Facility (ICTF), which is about 4.5 miles north of the ports, and "off-dock" rail yards located about 20 miles north of the ports near downtown Los Angeles.

   Increasing the use of on-dock yards can reduce pressure on the freeway system, because containers that are loaded on-dock do not have to be trucked to more distant rail yards. To ensure port customers use on-dock intermodal rail to the fullest extent, the ports are investigating the following operational improvements:

   - work with the railroads to assure timely arrival of empty intermodal equipment and the availability of rail crews
   - work to improve the productivity of loading and unloading of rail cars
   - promote the use of "block swap" operations to maximize the number of rail cars loaded on dock
   - alter business practices to prevent storage of containers on rail lines at on-dock terminals.

In the long run, major improvements to rail infrastructure in the port area, particularly on the Long Beach side, will be required to accommodate increases in on-dock use. These improvements include new on-dock rail yards, additional storage tracks and arrival/departure tracks, and improved signaling and train control systems. However, these improvements will take longer than five years to implement.

e) **Shuttle Train Pilot Project** – About 82% of the containers using the Ports of Los Angeles and Long Beach are trucked. Those containers that are trucked to warehouses in the Inland Empire could conceivably be hauled by rail from cargo terminals to an inland rail yard, where they could be transferred to truck for a shorter dray to the warehouse. ACTA is actively promoting a "demonstration project" for this concept and hopes to have a system in operation by the end of 2005. The principal obstacle to short-haul rail is that it is more expensive than trucking, and would require a public subsidy at least for the short term.

f) **Short-Sea Shipping** – Short-sea shipping can provide an alternative freight traffic route via coastal waterways, and can be more fuel-efficient and cost-effective than highway or rail transportation. The Port of Hueneme is seeking to create a short-sea shipping or fast-ship terminal to facilitate this type of domestic waterborne shipping along the West Coast.

Environmental Mitigations/Enhancements

All of the elements of the goods movement system – ships, port craft and equipment, trains, and trucks – are sources of pollutant emissions and may cause other environmental impacts, such as noise. These impacts affect communities near the ports, near distribution centers, and along transportation routes.

Port operations are a significant source of emissions in Southern California, and all three ports are expected to experience dramatic trade growth in the coming decades. Key pollution reduction initiatives at the Ports of Los Angeles and Long Beach include:

a) **Alternative Maritime Power ("Cold-ironing")** – This program evaluates the potential for on-shore electrical power for ships at berth in lieu of using their onboard diesel engines to generate electrical power. This can be a cost-effective strategy for certain vessels, and is being implemented by the Port of Los Angeles and is anticipated at the Port of Long Beach.

b) **Vessel Speed Reduction Program** – This is a voluntary program for ships to reduce speed to 12 knots within 20 miles of the harbor, which results in substantial fuel consumption and fuel cost savings, and associated emission reduction benefits. This program has been in effect since 2001, and is thought to have reduced NOx emissions by an estimated one to two tons per day, out of an estimated 50 tons per day produced by all ships (including cargo vessels) and commercial boats at the two ports.

c) **Vessel Retrofit Program** – This program seeks to implement cost-effective technology retrofits such as in-line fuel emulsifiers, slide valves, and Marine Diesel Oil.

d) **Smoke Stack Emissions Program** – This program involves Harbor Patrol observation and reporting to the South Coast Air Quality Management District (SCAQMD)[11] of excessive smoke and soot emissions from ships.

e) **Particulate Fallout Program** – This project reduces fugitive dust fallout from petroleum coke operations.

f) **Harbor Department Fleet Conversion** – This program involves use of hybrids, clean diesel fuels, engine retrofits, and alternative fuels (e.g., LPG or CNG) for fleet vehicles (street sweepers, patrol cars, etc.)

g) **Diesel Emission Reduction Program** – This program has two components: encouraging the use of emulsified diesel fuel in port terminal equipment, so as to permit the retrofit of port terminal equipment with Diesel Oxidation Catalysts. This involves providing incentives for the use of emulsified diesel fuel and installing diesel oxidation catalysts (DOCs) on terminal equipment. The specific fuel selected for this program is verified by CARB to reduce NOx by 14% and PM by over 60%. Diesel Particulate Filters (DPF) and Selective Catalytic Reduction (SCR) technologies are now permitting both NOx and PM emission reductions from diesel engines. Accelerating their adoption will prove beneficial in the control of port-related emissions.

h) **Liquefied Natural Gas (LNG) Yard Hostler Project** – This is a pilot project to determine the feasibility of using LNG for terminal yard hostlers, the small tractors that move containers on chassis within the terminal.

i) **Clean Diesel Fuel for Construction Equipment Program** – This program requires all construction equipment fueled on-site to use ultra-low sulfur diesel fuel.

j) **Switch Locomotive Fleet Replacement Program** – The ports, along with the Carl Moyer Program, are negotiating with Pacific Harbor Line (PHL), the railroad that performs local switching in the harbor area, to replace PHL's locomotive fleet with cleaner locomotives. Once the agreements have been implemented, it is expected that the entire fleet of switch locomotives can be replaced with more efficient machinery within a two-year period, resulting in a reduction of NOx emissions by approximately 70 percent. An experimental program is testing the effectiveness of hybrid locomotive engines, in place of conventional diesel.

Outside the ports, other local initiatives are contributing to the immediate reduction of goods movement impacts on air quality.[12]

[11] The Port of Hueneme is in a different air basin and is regulated by the Ventura County Air Pollution Control District, not by SCAQMD.

[12] Ventura County is not a part of the SCAQMD, but is under the regulation of the Ventura County Air Pollution Control District (VCAPCD). As such, only state, federal and or VCAPCD rules and programs are applicable to Ventura County and the Port of Hueneme.

a) **Diesel Truck Fleet Modernization** – The Gateway Cities Clean Air Program provides financial incentives in support of diesel truck fleet modernization and improvements to off-road commercial vehicles. This pilot program began in 2002 and receives funding support from U.S. Environmental Protection Agency (EPA), CARB, the Port of Long Beach, the Port of Los Angeles, and the SCAQMD.

The fleet modernization program compensates owners of 1986 or older trucks when they buy a 1999 or newer used diesel truck that is more reliable, cleaner, and fuel-efficient. An average grant is between $20,000 and $25,000, reducing the cost of converting to lower-emitting and cleaner trucks by about 60%. Preference is given to truck owners engaged in port-related goods movement. In general, each truck modernization grant generates a 50% reduction in NOx emissions and a 80% reduction in PM emissions. The program is expected to reduce NOx and PM emissions by an estimated 340 tons and 85 tons additional per year, respectively, over the next five years. The off-road vehicle improvement program, operating in conjunction with the Port of Long Beach Healthy Harbor Initiative, focuses on retrofitting diesel terminal equipment with diesel oxidation catalysts, which can reduce particulate matter emissions by 25 percent. This program is expected to reduce NOx emissions from off-road equipment by some 20-30 tons per year and PM emissions by about 3.5-4 tons per year, resulting in an estimated 20% reduction in NOx emissions and a 50% reduction in PM emissions.

The current pilot program is anticipated to replace about 500 trucks, reducing NOx by about 1.07 tons per day and PM by about 0.24 tons per day. The program hopes to expand its scope to target a goal of replacing 50% of the pre-1983 heavy-duty trucks in Los Angeles County, replacing about 3,000 trucks in all. This fleet modernization strategy has an estimated cost-effectiveness of $7,200 to $ 9,000 per ton of NOx emissions reduced. This goal would require a funding level of $84.5 million, of which $13.86 million have already been raised.

At the state level, CARB's Carl Moyer Memorial Air Quality Standards Attainment Program is providing funds to help speed up the introduction and use of low-emission heavy-duty engines. A wide array of goods movement equipment is eligible for the program, including cleaner on-road, off-road, marine, locomotive, forklifts, and airport ground support equipment. The program achieves near-term reductions in emissions of oxides of nitrogen (NOx) by incentivizing the incremental cost of cleaner-than-required engines and equipment.

b) **Rail-Highway Grade Crossing Separations** – Investments in numerous grade crossing separations, such as those accomplished by the Alameda Corridor project and continuing with the Alameda Corridor East, provide environmental benefits. The Alameda Corridor separations reduced train emissions up to 28 percent, reduced emissions from idling cars and trucks up to 54 percent, and cut noise pollution from trains 90 percent.

Unfortunately, there are some air pollution issues that are beyond the direct control of the region, the states and even the United States. The International Maritime Organization (IMO) regulates pollution from ocean-going vessels. The IMO approved MARPOL Annex VI in

September 1997, which calls for lower emissions from ships and also provides for the adoption of Sulfur Emission Control Areas (SECA). A SECA would require ships to use low-sulfur fuel within the SECA. However, the U.S. Senate has not yet adopted MARPOL Annex VI. The U.S. EPA needs to make a case for MARPOL Annex VI and the establishment of a SECA. Once the U.S. adopts MARPOL Annex VI, the IMO could approve a SECA for the west coast of the U.S. or preferably for the entire U.S. Without a SECA, it may be very difficult to achieve "no net increase" in emissions in the port area.

System/Physical Enhancements

In general, shorter-term infrastructure investments are those reflected in the 2004 Regional Transportation Improvement Program (RTIP), which programs transportation funds for the coming six years. Longer-term investments (out to 2030) are included in the 2004 Regional Transportation Plan (RTP).

a) **Truck Climbing Lanes –** Truck climbing lanes are additional uphill lanes on the outside of a freeway that allow slow-moving trucks to proceed safely without disrupting the flow of other traffic. Short-term projects in the 2004 RTIP include nearly $440 million worth of truck climbing lane projects in Riverside and San Bernardino Counties. The 2004 RTP includes additional truck climbing lanes on four routes in Orange, Riverside, and San Bernardino Counties, with implementation dates ranging from 2010 to 2030.

b) **I-710 Corridor/Desmond Bridge Gateway Program** – The I-710/Desmond Bridge Gateway Program is a comprehensive, strategic approach to addressing the congestion, air quality, and safety issues in the Corridor between the Ports of Long Beach/Los Angeles and State Route 60. The I-710 and Gerald Desmond Bridge carry approximately 15% and 10% of all U.S. waterborne container volume, respectively. The I-710/Desmond Bridge Program consists of the Gerald Desmond Bridge Replacement and the Locally Preferred Strategy for the I-710 Corridor, which includes dedicated truck lanes parallel to the mainline. The estimated total cost for the Desmond Bridge is $711 (escalated) and $4.5 billion for the I-710 Corridor component. This program will take at least ten years to implement.

c) **Alameda Corridor East (ACE) and Other Grade Separations –** Another critical step in goods movement is reducing conflicts between trains and motor vehicles by separating at-grade crossings. Like the Alameda Corridor, the ACE project seeks to speed freight bound eastward through the region by eliminating grade-crossing conflicts through the San Gabriel Valley, Orange County, and the Inland Empire. The total cost of this effort is approximately $2.5 billion. Short-term efforts in the 2004 RTIP include a total of $873 million dedicated to grade separation projects that will begin in the next six years. The remainder of the work will proceed in the mid- and long-term as funds become available.

d) **Port Infrastructure Projects To Improve Rail Operations –** Through their Ports Rail Master Plan, the Ports of Los Angeles and Long Beach have developed plans for track and signal improvements throughout the harbor area through 2020. These plans include additional on-dock yards, Centralized Traffic Control, additional storage tracks, longer

arrival and departure tracks, bridge improvements and related facilities to accommodate expected increases in rail traffic. Relatively minor projects like track connections are planned for the next two years; additional on-dock rail yards and expansions of existing yards are planned within 5 years; and large-capacity "mega-terminal" yards will be completed between five and fifteen years into the future.

e) **New Intermodal Facilities –** The region is facing a shortage in intermodal rail yard capacity. Already the Burlington Northern & Santa Fe Railway Company (BNSF) has placed limits on the number of containers it will accept at Hobart Yard near downtown Los Angeles. It has been estimated that by 2020 there could be a region-wide shortage of 9 million lifts (domestic and international) per year.

Most of the responses to the growing need for intermodal lift capacity could take more than five years to complete. In the near-term, the Port of Los Angeles has adopted an Intermodal Rail Policy that "provides for on-dock and comparable near-dock intermodal facilities for shippers, carriers, terminal operators and Class I Railroads." The Port proposes to construct a new near-dock rail yard immediately south of the existing ICTF, using private funds. The new yard would accommodate 1,000,000 to 2,000,000 TEUs per year (540,000 to 1,100,000 lifts per year). Such a facility could eliminate one million truck trips annually from the 710 Freeway, employ between 800 and 1,000 people, and better utilize the Alameda Corridor.

Other potential developments include inland rail yards at the sites of the former George and Norton Air Force bases in Victorville and San Bernardino, respectively. Another yard has been proposed on privately owned land in Devore near the intersection of the I-15 and I-215 freeways. These yards could accommodate local shuttle trains, or "block swap" operations. New intermodal facilities in the Imperial Valley would accommodate the 530,000 current annual truck crossings at the Calexico East POE and relieve the congestion expected to occur as a result of future growth. Total truck crossings through all California POE's are projected to increase from 2 million per year to 5.6 million per year in 2030.

f) **New Freight Rail Capacity** – Given increased freight and passenger rail traffic, mainlines east of Los Angeles will need to be triple- and sometimes quadruple-tracked in the coming years. Bottlenecks such as the rail-to-rail Colton Crossing must also be addressed. Long-range projects in the 2004 RTP include provisions for a regional rail capacity improvement program totaling $3.4 billion, which provides for both additional track capacity and mitigations in the form of grade separation projects.

The reopening of the Carrizo Gorge Railway between San Diego and Imperial County provides another outlet for accommodating an increase in regional freight rail traffic. Additional improvements for this railway are incorporated into short-term and long-term plans.

g) **New Toll-Funded Roadway Improvements to Address Truck Demand** – Recognizing the need for additional highway capacity to handle increased truck as well as passenger traffic, the 2004 RTP explores the long-range strategy of dedicated facilities to accommodate truck traffic. The RTP includes proposals for several new toll-funded corridors in the region, including on the I-710, the I-15, and on east-west routes to be determined. A prior study showed that a dedicated truck facility would be feasible on SR-60. In line with the principles stated earlier, community impact mitigation will be an integral part of these projects.

h) **Land Use Changes** – The adopted 2004 RTP was developed with input from the regional growth visioning process known as Southern California Compass. The Compass vision showed that a departure from the usual growth and land use patterns could yield substantial benefits to the region in the form of reduced traffic congestion and reduced time lost in travel delays. The further development of this vision has been termed the "2% Strategy," in reference to the small percentage of the region's land area where local land use practices would need to change to reap these benefits. Implementation of the 2% Strategy at the local level can be combined with the development of new goods movement infrastructure so that growth is accommodated with reduced impacts and with greater local and regional economic benefit.

Southern California Regional Strategy for Goods Movement: A Plan for Action

Southern California's trade infrastructure is a global gateway that serves the rest of the nation. In Fall 2004, Southern California experienced a bottleneck in freight movement through the San Pedro Bay ports. Ships waited days to enter the ports with goods for the holiday season bound for stores in California and beyond, and some ships diverted to other West Coast ports.

Through a combination of short-term actions, this immediate crisis is being relieved. First, the longshoremen's union has added 3,000 new hires to keep goods moving from the container ships.

Second, a new program called PierPass will collect container fees to fund extended gate hours. The addition of five new off-peak shifts will make productive use of more hours of the day. The ports are taking other actions to increase the use of rail to move goods, keeping trucks off the highways during peak traffic hours.

Third, $2 billion in near-term construction projects are under way, including rail-highway grade crossing separations and truck climbing lanes, that will keep goods moving through the region once they leave the ports. Negotiations are occurring for the implementation of demonstration projects, such as a shuttle train that will relieve highway congestion related to goods movement.

These short-term actions are only the beginning. We will need to be, and will continue to be, vigilant over the next three to six years to make sure that these actions continue to keep the goods moving. In the meantime, the Governor and the U.S. Secretary of Transportation have the opportunity to plan for the future, when the volume of freight transportation through Southern California will double or even triple.

Our success is contingent on our ability to address four overarching issues and move ahead immediately:

1. We must address community concerns over air pollution, health impacts, and other impacts of freight movement by ship, truck, and rail. To assure this, only projects that have environmental and community clearance can be brought forward. Acceleration of both the federal and state review processes is needed to facilitate such an effort. Further, it is important that the United States Environmental Protection Agency, the California Environmental Protection Agency, and the California Air Resources Board take a leadership role in reducing air pollution from the ports and related sources. It is also important that international standards for ship emissions be imposed through U.S. ratification of MARPOL Annex VI.

2. Goods movement projects must be funded through a variety of non-traditional means that do not compete with traditional transportation revenues. Other potential sources of funding include user or beneficiary fees, customs fees, tax credit instruments, private activity bonds, and federal loans and loan guarantees. The region has already requested over $1 billion in federal funding for Projects of National and Regional Significance through the reauthorization of TEA-21, but this is only a small portion of the total funding needed for the regional system.

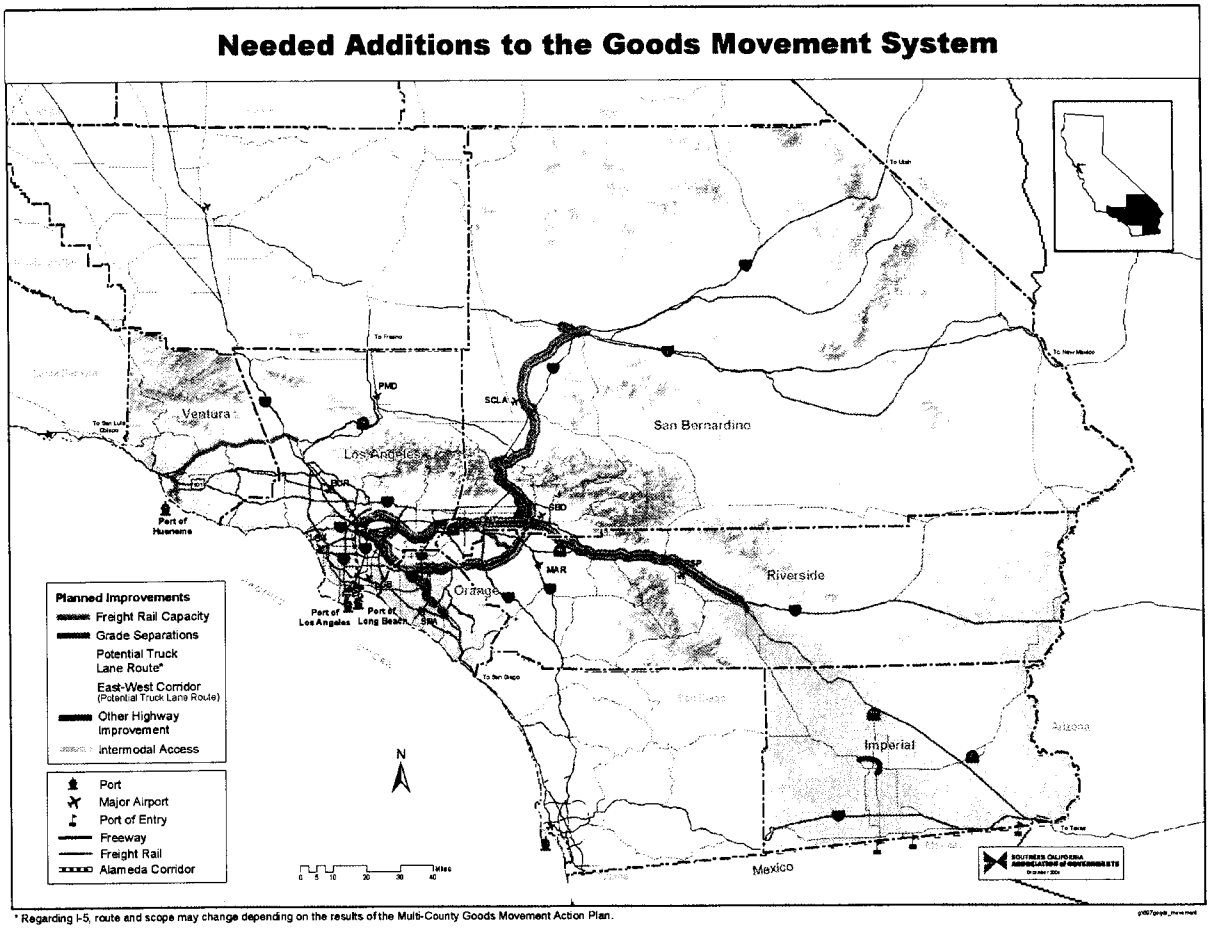
3. Projects must be facilitated through the use of innovative procurement arrangements, such as the design-build method, that compress the project delivery timeline. Changes to state law are needed to make this process more widely applicable.

4. In achieving these ends, the region and state must speak with one voice to the federal government. The Governor's leadership and his initiative to collaborate with the White House, Secretary of Transportation, and Congress on these issues are essential to success.

With these tools in place, Southern California can proceed to implement a variety of short- and long-term actions that will respond to the growing demand for goods movement while mitigating community impact.

By 2010, the region will need additional freight rail capacity to keep pace with goods movement demand. New intermodal facilities will also be needed to transfer goods between truck and rail. Dedicated truck lanes should be added to several area freeways to increase the speed and safety of goods moving by highway. Again, these projects must be accompanied by mitigation of local impacts – for example, through the separation of at-grade crossings and the widespread adoption of cleaner fuels. The attached map shows needed additions to the Southern California goods movement system.

Important as these investments are to the region's quality of life, they have a significant economic benefit for the region and for the state. Logistics jobs are high-paying – more on average than construction or manufacturing. Just by investing in new freight rail capacity and truck lanes, Southern California could add over 450,000 logistics-related jobs and produce over $17.6 billion in additional federal, state, and local tax revenue by 2035. Thus, these investments can help balance the state budget. By supporting and implementing these goods movement actions, we have the opportunity to improve regional air quality and shape a more prosperous future for California.



* Regarding I-5, route and scope may change depending on the results of the Multi-County Goods Movement Action Plan.

MEMO

DATE: March 3, 2005

TO: Transportation and Communications Committee

FROM: Philbert Wong
Assistant Regional Planner
213-236-1883
wongp@scag.ca.gov

SUBJECT: Measures to Reduce Truck Traffic at the San Pedro Bay Ports

SUMMARY:
Mr. Gill Hicks will present his analysis on the potential impacts of port truck trip reduction strategies.

BACKGROUND:
Mr. Gill Hicks, President, Gill V. Hicks and Associates, will be presenting his work on the potential impacts of port truck trip reduction strategies, which was conducted on behalf of the Ports of Los Angeles and Long Beach, and the Alameda Corridor Transportation Authority. In conducting this analysis, Mr. Hicks evaluated five strategies: extended gate hours, the increased use of on-dock rail, a virtual container yard, local shuttle trains, and a new near dock intermodal facility. In addition, a combination of all of the above strategies was evaluated for the years 2010 and 2030.

The impacts of these strategies have been measured according to the following criteria: impact on weekday port truck trips and weekday port truck miles of travel.

DOCS #107707

Costs and Benefits of Truck Trip Reduction Strategies

Integrated Work Program to Reduce Truck Traffic and Increase Rail Traffic
Presented to
SCAG Transportation and Communications Committee
March 3, 2005

THE PORT OF LONG BEACH

Projected Containerized Cargo Throughput Twenty-foot Equivalent Units (Millions of TEUs)

	2005	2010	2030
POLB	5.4	7.6	23.0
POLA	10.1	12.1	21.7
TOTAL	15.5	19.7	44.7

Compound Annual Growth Rate (CAGR) for both ports combined 2005 to 2030 is 5.4%.
Source: Port of Long Beach and Port of Los Angeles

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Key Assumptions for 2030

- Baseline: 25% on-dock rail, no extended gate hours, no virtual container yard, no shuttle trains, no new near dock yard, no SR 47 viaduct.
- Combined Scenario:
  - Extended Gate Hours with 68-32-0 Gate Shift (Day-Night-Hoot) and 20% Weekend
  - Virtual Container Yard: 10% empty re-use.
  - Shuttle service: eight 25-car eastbound trains per day five days per week (40 long trains/week)
  - Near-dock yard handling 2 million TEUs (1.08 million lifts) per year
  - SR 47 viaduct
  - 25% on-dock rail

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Weekday I-710 Port Trips 2005, 2010, 2030

Scenario	Total Trips	Percent Change from Base 2005
a) Base 2005	22,704	
b) Base 2010	27,009	**19.0%**
c) Combined Scenario 2010	20,337	**- 10.4%**
d) Base 2030	65,238	**187.3%**
e) Combined Scenario 2030	44,847	**97.5%**

*Impacts are not additive due to interaction among strategies.

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Daytime (6:00 a.m. to 7:00 p.m.) Weekday I-710 Port Trips 2005, 2010, 2030

Scenario	Total Trips	Percent Change from Base 2005
a) Base 2005	20,736	
b) Base 2010	24,611	**18.7%**
c) Combined Scenario 2010	15,263	**- 26.4%**
d) Base 2030	60,015	**189.4%**
e) Combined Scenario 2030	33,609	**62.1%**

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Cost Effectiveness Measures
Weekday Traffic (24-hours)

Strategy	Avg. Reduction in Weekday I-710 Truck Volume (2005-2030)	Net Savings (or Costs) Per Weekday Truck Trip Removed	Capital Costs per Weekday Truck Trip Removed
Shuttle Train	1,623	-$50	$35
VCY	1,650	$47	$0.25
SR 47	2,748 *	-$22	$22
Near-Dock Yd.	3,592 *	$16	$14
Ext. Gate Hrs.	5,562	-$126	$0.16
On-Dock Rail	6,680	$121	$35

* Average for 2010 through 2030

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Conclusions

- On-dock rail, near-dock rail, and virtual container yard result in significant economic savings to shippers due to reduced drayage costs and reduced handling of empty containers.
- Shuttle trains and extended gate hours result in additional net costs to shippers.
- In terms of effect on I-710 weekday truck reduction potential only, extended gate hours and increased on-dock rail are the most effective.
- In terms of net economic savings per truck removed, increased on-dock rail and the VCY are the most effective.
- In terms of capital costs per truck removed (ignoring operating costs or savings), extended gates and the VCY are the most effective.
- Even with implementation of all truck reduction strategies, I-710 truck volumes could increase substantially from 2005 to 2030 because of growth in trade.

Time Frame for Implementation

- VCY: 2005 (contract negotiations ongoing)
- Local Shuttle: Demo 2005, System 2005-2010
- Extended Gates: June 2005 start
- Near Dock Yard: By 2010
- SR 47: By 2010
- Increased On-dock: revised Rail Master Plan includes several projects through 2020; e.g., Pier B yard improvements 2005-2010.

Institutional/Operational Issues

- VCY: Trucker/steamship lines acceptance
- Local Shuttle: Railroads acceptance, rail vs. truck costs, mainline capacity
- Extended Gates: Warehouses and truckers acceptance, night noise ordinances
- Near Dock Yard: Community acceptance, tenant relocation
- SR 47: Community acceptance
- Increased On-dock: community acceptance, communications, timely car spotting, sharing by alliance partners, trains "dying" on line.

MEMO

DATE: March 3, 2005

TO: Transportation and Communications Committee

FROM: Jim Gosnell, Deputy Executive Director, (213) 236-1889, Gosnell@scag.ca.gov
Zahi Faranesh, Maglev Program Manager, (213) 236-1819, faranesh@scag.ca.gov

SUBJECT: The Shanghai Experience

SUMMARY:
Two SCAG staff were previously authorized to attend the 2004 Maglev Conference in Shanghai, China on October 26-28, 2004. The attached report summarizes their experience and offers substantial detail on Maglev-related topics including the operating Shanghai Maglev Line. A slide-show presentation will be given to further explain the significance of this trip and how their experience can be applied to benefit SCAG's Deployment Program.

BACKGROUND:
2004 Maglev Conference, Shanghai, China

The 2004 Maglev Conference was held in Shanghai, China from October 26-28, 2004. The 18th International Conference proceedings focused on Magnetic Levitated Systems. Papers were presented from 14 countries to approximately 300 people who attended the conference. The Institute of Electrical Engineering, the Chinese Academy of Sciences, and the National MAGLEV Transportation Engineering R&D Center organized the conference. The National Natural Science Foundation of China, Transrapid International, Shanghai Maglev Transportation Development Co., Ltd., and MAX BOGL Construction Company supported the conference.

The papers presented were on the following topics:
- High Speed Maglev Developments and Projects
- Urban Maglev Developments and Projects
- New Ideas
- Power Supply
- Vehicle, Guideway and Infrastructure
- Safety, Operation Control and Maintenance
- Propulsion and Linear Motors
- Magnetic Levitation and Guidance
- On Board Energy Supply and Energy Transfer
- Magnetic Bearings

Shanghai Maglev Project

Most of the above topics presented were centered on the Shanghai Maglev project, which links Pudong International Airport with the financial district at the Long Yang Road Subway Station. Project completion took four years from starting the planning study to operation of the line. The project, which

started construction on March 1, 2001, was a joint effort of the Chinese Government and German Transrapid International Company.

The first Maglev vehicle, composed of three sections, successfully completed its trial run on a single track on December 31, 2002. The second track was completed in 2003. Testing on two, five, and eight vehicle sections was conducted, and a maximum speed of 310 mph (501 km/h) was successfully achieved on a five-section vehicle train. Testing on intercrossing of two trains was at a maximum speed of 267 mph (430 km/h). Commercial operation on the 19 mile, double track line between Pudong International Airport and Long Yang Road Subway Station started in January 2004. Today, the system operates with three five-section vehicles and 10-minute headways. One way trip time is 7.5 minutes, and daily operation is 9 hours. By August 2004, the Shanghai Maglev line had carried 1.45 million passengers. In 2004 with the completion of Phase I construction, the Pudong Airport carried approximately 20 million annual passengers. The expansion of the Pudong Airport during Phase II construction, which is underway, is expected to double this capacity. The population of the City of Shanghai is approximately 8 million people and the population of the region of Shanghai is approximately 14 million.

The Shanghai Maglev line was constructed at a cost of $1.2 billion (RMB 9.943 billion). So far no data has been released relating to the maintenance and operation of the line. The Shanghai Maglev line is the first commercially operated Maglev line in the world and it carries passengers in cars that offer two classes of service: the VIP section has leather reclining seats with trays, and four seats per row; the Ordinary sections have cloth, non-reclining seats, and six seats per row.

Shanghai Transrapid Development Company in conjunction with Shanghai International Trade Company and the Shanghai Pudong International Airport Import/Export Corporation were the contractual parties in charge of implementing the Shanghai Maglev project. The Contractors group was composed of Transrapid International, Siemens, and ThyssenKrupp.

Many of the papers presented concentrated on technical analysis of the system design, guideways, operation control, propulsion and power supply, operation and maintenance, safety and environmental assessment. Overall, the analysis concluded that the entire system is reliable, and the technical performances of the equipment meet the requirements of operation of the performance standards set up by the German Federal Railway Authority and the Shanghai Transrapid Development Company. The Shanghai Maglev line has proven that the ground passenger transportation technologies can travel at 310 mph, that the technology is mature, reliable, safe and environmentally friendly and that it can be put into operation in other parts of the world such as in the SCAG region.

Additional Shanghai Maglev Technical and Operational Considerations

- **Station Area:** The area where Long Yang road subway station is located is the administrative and cultural center of the new Pudong area of Shanghai. It is also a proposed transportation center and three Metro lines are planned to join there, which will make it possible for the passengers to transfer conveniently and directly to the Maglev Line.
- **Feasibility Study:** A pre-feasibility study was prepared by the municipal planning authority of the City of Shanghai. On June 30, 2002 an agreement on a joint preparation of a feasibility study for the demonstration and operation of a high-speed maglev system line was signed between the City of Shanghai and Transrapid International. The intended result of the study was the planning and design of the Shanghai Maglev demonstration project.

- **Station length:** 660 feet (200-meters) at each end of the line with maximum capacity of one 8-section vehicle (667 ft long, 794 seated passengers). The station has two double moving sidewalks.
- **Vehicle Configurations:** Currently a five-section vehicle is in operation for a total length of 420 feet, and seating passenger capacity of 464.
- **Acceleration:** The Maglev train can accelerate to 185 mph in 1minute and 37 seconds or 2.6 miles. It can reach a top speed of 310 mph in 4 minutes.
- **Guideway size and spacing:** Each guideway is 9.2 feet (2.8-meters) wide and 16.73 feet (5.1 meters) apart from the centerlines of each guideway.
- **Guideway Columns:** The distance between the pillars supporting the guideway is 82 feet (25 meters). Steel girders of 147.6 feet (45-meters) span are also used in the Shanghai Line for the crossover switches. The eight bendable steel switches were delivered from Germany. Column size is 5 ft x 6 ft.
- **Ridership:** The Shanghai Maglev line carried 1.45 million passengers by August 2004.
- **Power Consumption:** No information on power consumption was provided.
- **Operation and Maintenance:** 82 employees are responsible for the operation and maintenance under the Shanghai Maglev Transportation Development Co. Ltd.
- **Operating Costs:** No information on the assessment of the operating costs.
- **Maintenance Station:** Approximately 1.9 mile long connection with three crossovers connecting to the maintenance facility close to Pudong International Airport station.
- **Signage:** There are a significant amount of signs about the project and services, at the airport, subway rail stations, and the Urban Planning Museum. There are video monitors in each subway rail vehicle.
- **Security:** Security x-ray scanning machines are at the Long Yang station for baggage check.
- **Ticketing System:** All ticket machines are fully automated with automated control at the entrances and the exits.

Future Shanghai Maglev Development Projects

China's long range vision includes building 5,000 miles of a high-speed rail ground passenger network. At present the Shanghai Transportation Development Company is conducting feasibility study on the extension of the existing Maglev line to Hangzhou, a distance of 101 miles southwest of Shanghai. Also, China has proposed building a high-speed rail line from Shanghai to Beijing, approximately 900 miles. The final decision on the technology to be used for the Beijing to Shanghai project is subject to the result of the Shanghai to Hangzhou project. Some papers presented at the conference suggested that the Maglev technology should be adapted to the Shanghai-Beijing line, and others suggested that both Maglev and steel-on-wheel rail technologies are needed in China.

High Speed Surface Transportation (HSST) Slow-Speed Maglev

There were some papers discussing the Japanese HSST slow-speed Maglev, which will be operating in March 2005 for the opening of the World Exposition. The Maglev line, called the Tobu Kyuryo line, in the northeastern suburbs of the city of Nagoya, will connect to the town of Fujigaoka, a highly urbanized area, and then to the town of Yakusa. The HSST Maglev system was selected over steel wheel rail because Maglev can operate more efficiently at a high gradient slope of 6%. The line will be six miles long and is expected to reach a maximum speed of 62 mph, with a forecasted ridership of 30,000 passengers per day. The line is double track with nine stations and will take 15 minutes to travel end-to-end. The HSST Maglev train vehicles are manufactured by Chuba HSST Maglev technology in Japan, and are being constructed under Japanese standards. HSST magnetically levitated train research and development began thirty years ago by Japan Airlines.

In 1989, The Chubu HSST Development Corporation was established to develop the first one mile testing track in Nagoya for full commercial testing application of new generation vehicles. In 2000, a quasi-public corporation was formed in order to construct and operate the Tobu-Kyuryo line. The total estimated project budget was $770 million.

The infrastructure is being constructed primarily on an elevated guideway above existing public roadways with approximately 0.8 mile of tunnel. The fleet will consist of eight three-car trains operated by normal conductive Magnetic levitation, an automatic train control system. The construction of the guideway and the vehicles started in April 2002. The prototype of a 3-car train was manufactured, and performance verification tests at track were conducted in October 2002. The total passenger capacity is 104 seated and 140 standing, for a total of 244 passengers per train. The Tobu-Kyuryo line will be the first commercial slow speed magnetic levitation vehicle system to be operated in an urban area.

Strategic Considerations and Issues

There were papers presented discussing the use of Maglev for freight transportation and its advantages for a fast, safe, and reliable mode of operation. Some papers focused on further development and optimization for the near future on guideway and guideway equipment, vehicles, propulsion and power supply, operation control systems, and standardization and simplification of the Maglev system deployment. Also, economic optimization and cost reduction for the investment costs and operation including the maintenance costs were discussed.

Lessons Learned from the Shanghai Project

The most valuable achievements obtained from the construction of Shanghai Line was stated as the development of the hybrid guideway structure system and its manufacturing technology, including design of the alignment, design and manufacture of the guideway girders, control of the settlement and development of special bearings for the guideway, etc. The intellectual property rights of all these unique technologies belong to the Chinese.

Summary and Conclusion

The 2004 Maglev Conference was very successful in delivering information, data, technical analysis and application on the deployment of High-Speed Maglev system. SCAG staff gained first hand experience on Maglev operation by conducting field trips and riding the Shanghai Maglev line. SCAG made a presentation on the need for an Interregional Maglev system to reduce roadway congestion and to provide ground access to the regional airports in the SCAG region. The SCAG presentation was received very well and provided discussion among members of the conference. Several attendees were interested in SCAG's "system" concept and the connection and utilization of regional airports. Also of particular interest was SCAG's financial plan to incorporate public and private partnerships.

Also, the proceedings provided great new information on Maglev technology, and its applications and attributes. It was proven and concluded that Maglev is fast, safe, reliable quiet, comfortable and environmentally friendly. The successful construction and operation of the Shanghai Maglev project solved many important problems concerning the practical application of the high-speed Maglev transportation system. It has created an active foundation for Maglev deployment in the United States and

the SCAG region. As an international transportation industry in general, Maglev is still in the early stages; however, significant future growth in the technology and deployment of Maglev is expected throughout the world. China has indicated they are very interested in expanding Maglev corridors, Japan will soon have slow-speed Maglev technology in operation, Germany is developing new Maglev lines and the United States has several Maglev projects underway. The technology is expected to dramatically transform ground transportation capabilities and services.